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KING COUNTY
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CASE NUMBER: 14-2-10101-5 KNT

IN THE SUPERIOR COURT OF THE STATE OF WASHINGTON
IN AND FOR KING COUNTY

BRETT DURANT, On Behalf of
Himself and all other similarly situated,

Plaintiffs,

vs.

STATE FARM MUTUAL AUTOMOBILE
INSURANCE COMPANY, a foreign
automobile insurance company,

Defendant.

CLASS ACTION

KING COUNTY NO.

**COMPLAINT FOR DECLARATORY
JUDGMENT, INJUNCTIVE RELIEF
AND FOR DAMAGES**

JURY TRIAL DEMANDED

The Plaintiff, by and through his attorneys of record, Van Siclen, Stocks & Firkins,
and the Law Office of David Nauheim, complains and alleges as follows:

I. NATURE OF THIS ACTION

1.1 Defendant State Farm Mutual Automobile Insurance Company ("State Farm")
has engaged in a systematic practice of prematurely and unlawfully depriving its injured
claimants of their medical benefits. Like most insurance policies, State Farm's policies
contain personal injury protection ("PIP") clauses. These clauses promise that State Farm

COMPLAINT FOR DECLARATORY JUDGMENT AND
DAMAGES - 1

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will pay an insured's or a third-party beneficiary's "reasonable and necessary" medical expenses incurred from bodily injuries sustained in accidents.

1.2 Personal Injury Protection (“PIP”) benefits may be lawfully terminated for only one of four reasons: if treatment is not (1) reasonable, (2) necessary, (3) related to the accident, or (4) incurred within three years. WAC 284-30-395(1). Insurance regulations are unequivocal: no other reasons are permitted. Despite this, for over twenty years, Defendant State Farm has issued insurance policies that purport to allow termination of benefits when it finds that continued treatment is not “essential in achieving maximum medical improvement for the bodily injury . . .” This action concerns thousands of consumers who had their PIP benefits by State Farm terminated under this illegitimate standard.

II. JURISDICTION AND VENUE

2.1 This Court has jurisdiction over Plaintiff's claims pursuant to RCW 2.08.010, which grants to Superior Courts jurisdiction over claims of this type

2.2 This Court has jurisdiction over State Farm because State Farm systematically and continuously does business in Washington.

2.3 Venue is proper in this county under RCW 4.12.025 because State Farm transacts business in this county, the contract in question was entered into in this county, and many of the alleged breaches took place here.

III. PARTIES & BACKGROUND FACTS

3.1 Plaintiff Brett Durant was, and at all times material hereto is, a resident of King County, State of Washington.

1 3.2 Defendant State Farm Automobile Insurance Company was, and at all times
2 material hereto is, an insurance company licensed to provide insurance under the laws of the
3 state of Washington and by the Washington State Insurance Commissioner.

4
5 3.3 At all times material herein, Plaintiff was insured under a contract of
6 insurance with Defendant and dutifully paid all material sums and premiums on said contract
7 since 1995. On July 21, 2012, Plaintiff was injured in an automobile accident. In order to
8 obtain treatment for his injuries, Plaintiff opened a PIP claim with Defendant.

9
10 **IV. CLASS ACTION ALLEGATIONS**
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12 4.1 Plaintiff brings all claims herein as class claims pursuant to Civil Rule ("CR")
13 23 and Local Rule ("LR") 23. As explained herein, the requirements of these rules are met
14 with respect to the class defined below.

15 4.2 The class consists of all insured, as defined in the medical payments coverage
16 portions of State Farm' policies, and all third-party beneficiaries of such coverage, under any
17 State Farm insurance policy issued in the state of Washington with respect to whom State
18 Farm terminated, or limited benefits, based upon its determination that its insured had
19 reached "maximum medical improvement" or that such benefits were not "essential in
20 achieving maximum medical improvement for the bodily injury."

21 4.3 With respect to the "numerosity" requirement of CR 23(a), joinder of all
22 members of the class is impracticable because the class consists of hundreds of persons
23 located throughout Washington that have been impacted by the abovementioned practices of
24 Defendant. The exact number of class members can be determined by appropriate discovery.
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1 4.4 With respect to the "commonality" requirement of CR 23(a), there are
2 questions of law and fact common to the class, including, but not limited to, the following:¹

- 3 A. Whether it is lawful for State Farm to terminate or limit benefits based upon
4 language that it employs in its insurance policy that is not permitted under insurance
5 regulations and statutes pertaining to Personal Injury Protection?
- 6 B. Whether a Declaratory Judgment should be entered declaring State Farm's
7 conduct unlawful?
- 8 C. Whether State Farm should be enjoined from such further unlawful conduct?
- 9 D. Whether State Farm's unlawful conduct damaged class members?
- 10 E. A determination of the nature and extent of such damages?
- 11 F. Whether State Farm's unlawful conduct alleged herein extinguishes any
12 contractual or equitable subrogation interest in its insured's third party recoveries?

13 4.5 With respect to the "typicality" requirement of CR 23(a), the interests of
14 Plaintiff in this matter are the same as those of the rest class members. His claim arises from
15 the same practice and course of conduct that gives rise to the claims of other potential class
16 members. *See Smith v. Behr Process Corp.*, 113 Wash. App. 306 (2002) (also noting that
17 varying fact patterns in individual claims do not defeat the typicality requirement for class
18 certification where the same unlawful conduct is alleged to have affected both the named
19 plaintiffs and the class members).

20 4.6 With respect to the "adequate representation" requirement of CR 23(a),
21 Plaintiff is committed to vigorously pursuing this action on behalf of the class and has
22 retained counsel competent to handle class actions of this sort. Plaintiff will fairly and
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¹ The "commonality" requirement is qualitative rather than quantitative. *Schwendeman v. USAA Cas. Ins. Co.*,
30 116 Wash. App. 9 (2003). Courts will find commonality where the facts indicate that the defendant was engaged
in a common course of conduct in relation to all the potential class members. *Id.*

1 adequately represent the interests of the class members and has no interests that conflict with
2 those of the rest of the class.

3 4.7 With respect to the requirements of CR 23(b)(1), the prosecution of separate
4 actions by members of the class would create a risk of establishing incompatible standards of
5 conduct for State Farm. For example, one court might determine that the challenged actions
6 are illegal and enjoin them, while another might decide that those same actions are
7 permissible. Similarly, individual actions may, as a practical matter, be dispositive of the
8 interests of the class.

9 4.8 With respect to the requirements of CR 23(b)(2), as explained above, State
10 Farm has acted in a consistent manner towards all class members such that a pattern of
11 activity is apparent. That is, State Farm, has imposed an illegal and unfair practice that
12 affects all class members. *See FRIEDENTHAL, KANE & MILLER, CIVIL PROCEDURE § 16.2*
13 (West Hornbook, 4th ed.). State Farm's actions are, therefore, generally applicable to the
14 class as a whole and Plaintiff seeks, *inter alia*, equitable remedies with respect to the entire
15 class.

16 4.9 With respect to the requirements of CR 23(b)(3), the common questions of
17 law and fact enumerated above predominate over those questions that affect only individual
18 members of the class. Moreover, a class action is the superior method for fair and efficient
19 adjudication of this controversy because State Farm's practice is pervasive across a great
20 many policy-holders with PIP protection. For similar reasons, the likelihood that individual
21 members of the class will prosecute separate actions is remote due to the time and expense
22 necessary to conduct this litigation. To Plaintiff's knowledge, no similar litigation is
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currently pending by other members of the class. Plaintiff's counsel, experienced in class actions, foresees little difficulty in managing this case as a class action.

4.10 Finally, the prerequisites to maintaining a class action for injunctive relief exist in this case. If injunctive relief is not granted, great harm and irreparable injury to Plaintiff and members of the class will continue. The proposed class has no adequate remedy at law for the injuries which will surely recur given that, absent action from this Court, State Farm will continue to mislead and cause economic and noneconomic injury to its policy-holders and third-party beneficiaries. An order finding, money damages alone would be meaningless to those who will be injured in the future if the challenged conduct is allowed to continue, and for those who rely on State Farm in choosing an insurance provider and seeking care for their accidental injuries.

V. STATEMENT OF FACTS

5.1 State Farm is a foreign insurer that provides automobile liability insurance in the State of Washington. For over twenty years, State Farm has issued automobile liability policies in the State of Washington. That policy requires State Farm to pay its insured's "reasonable medical expenses" for up to three years for bodily injury sustained in an automobile accident. However, the policy defines reasonable medical expenses as expenses that are incurred for medical services that "are essential in achieving maximum medical improvement for the bodily injury sustained in the accident." The most recent version of State Farm's automobile liability in Washington is known as Form 9847A and has been in effect since 2006 and contains this illegitimate standard. (Exhibit 1.)

1 5.2 Insurance regulations in Washington unequivocally limit the reasons for which
2 an insurance company is permitted to terminate, limit or deny PIP:

- 3 (1) if the treatment is not reasonable;
4 (2) if the treatment is not necessary;
5 (3) if the treatment is not related to the motor vehicle accident; or,
6 (4) if the treatment was not incurred within three years of the motor vehicle accident.

7 5.3 Insurance regulations unequivocally provide that this is an exhaustive list.
8 WAC 284-30-395(1) ("These are the only grounds for denial, limitation, or termination of
9 medical and hospital services permitted[.]") (emphasis added).

10 5.4 Yet for over twenty years, State Farm has terminated or limited coverage
11 while their insureds were still treating for their injuries when it found that further treatment
12 was not "essential to achieving maximum medical improvement" or that their insured had
13 reached "maximum medical improvement."

14 5.5 The central dispute in this action is whether State Farm conduct violated its
15 duty of good faith, violated the Insurance Fair Conduct Act, breached the insurance contract,
16 and violated the Consumer Protection Act; and if so, what should be the remedy for the
17 thousands of insureds who were denied medical treatment for their injuries, or who incurred
18 out of pocket expenses for medical treatment that should have been covered by their State
19 Farm PIP policy, or who paid subrogation to State Farm, when in fact State Farm's right to
20 subrogation had been extinguished by its bad faith and breach of contract.

21 5.6 Brett Durant, the Representative Plaintiff in this action, has been a policy
22 holder with State Farm since 1995 and has dutifully paid his premiums for 19 years. He chose
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1 to carry \$35,000 in PIP coverage. On July 21, 2012, Mr. Durant was injured in a motor
 2 vehicle accident when another driver failed to obey a yield sign and struck the left front side
 3 of his vehicle. There was \$11,501.56 in property damage to Mr. Durant's vehicle and he and
 4 his fiancée, Sarah Durant, were injured.
 5

6 5.7 Three days later, Mr. Durant sought treatment with chiropractor Harold
 7 Rasmussen, DC, who diagnosed him with cervical, thoracic, sacral and bilateral sacroiliac
 8 sprain condition with fixation of the right shoulder, headache and dizziness. He began
 9 chiropractic treatment and massage therapy. When his shoulder did not improve, he was
 10 referred him for a shoulder MRI, which showed for a sprain of the middle glenohumeral
 11 ligament and a possible small type I SLAP tear. He was referred to orthopedic surgeon Scott
 12 Hormel, who diagnosed mild bursitis/tendinitis. This was treated with physical therapy and
 13 later subacromial cortisone injections.
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15 5.8 On October 18, 2012—four months after the accident—State Farm sent Dr.
 16 Rasmussen a form letter inquiring as to Mr. Durant's progress. Notably, the form letter did
 17 not inquire about any of the standards listed in WAC 284-30-395(1). Rather, it only asked
 18 about the illegitimate standard: "Has the patient reached maximum medical improvement?"
 19 and, "If the patient has not reached maximum medical improvement, when is your target
 20 date?" This form letter is the same letter that State Farm systematically uses on all of its PIP
 21 claims in the State of Washington. Dr. Rasmussen responded that Mr. Durant was not at
 22 MMI, but that his target date was February 2, 2013.
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24 5.9 However, Mr. Durant's injuries were not recovered by that date and he
 25 continued to receive chiropractic adjustment and massage therapy. On April 2, 2013, State
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1 Farm sent another letter to Dr. Rasmussen asking again whether Mr. Durant was at MMI and
 2 if not, when he was expected to do so. Dr. Rasmussen listed 3/27/13 as the date of MMI. This
 3 time the letter asked, "You have treated Brett past his given MMi [sic] date of 2/1/2013.
 4 Please explain." Dr. Rasmussen stated, "Patient was not stable and needed treatment to
 5 3/27/2013."

6 5.10 However, while Mr. Durant may have been "stable" as of 3/27/2013, this was
 7 not the end of the problems he would have with his accident-related injuries. He had
 8 continued instability throughout the thoracocervical, thoracolumbar, lumbosacral, and
 9 bilateral sacroiliac joints as well as instability of the right shoulder due to the SLAP tear. Like
 10 many patients, he had achieved "MMI" by sustained treatment and avoiding activities that
 11 would aggravate his injuries—activities that he had been able to engage in before the motor
 12 vehicle accident, like playing golf, snowboarding, running, mountain biking, doing yard
 13 work, etc. Without the benefit of ongoing treatment, whenever Mr. Durant attempted to
 14 return to any of his pre-accident activities, he aggravated his injuries from the motor vehicle
 15 accident. What is more, Mr. Durant works as a Data Center Technician for Motricity and
 16 singlehandedly maintains a 6000 square foot data center, which requires varying amounts of
 17 physical work. From time to time, his physical duties aggravated his injuries from the motor
 18 vehicle accident. On these occasions, Mr. Durant sought chiropractic treatment or massage
 19 therapy.

20 5.11 When the activities of daily living aggravates an underlying injury, these
 21 aggravations are legally attributable to the original injury. Since treatment for these
 22 aggravations is reasonable, necessary, related to the motor vehicle accident, and incurred
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1 within three years, his providers billed State Farm under Mr. Durant's PIP claim. State Farm
 2 denied each of these medical bills. The basis given by State Farm for each denial was that:
 3 "Services are not covered, as your provider advised us you previously reach maximum
 4 medical improvement." The denials made no mention of whether the treatment was
 5 reasonable, necessary, or related to the motor vehicle accident.
 6

7 5.12 By this point, Mr. Durant had retained an attorney to represent him in his
 8 personal injury claim. His attorney wrote to State Farm asking them to pay for the
 9 outstanding medical bills. The letter explained that State Farm must pay for treatment under
 10 that met the standard in WAC 284-30-395(1). The attorney asserted that unless State Farm
 11 had a competent medical opinion that Mr. Durant's treatment did not meet this appropriate
 12 legal standard, State Farm must resume payment of the plaintiff's medical bills. The attorney
 13 requested that State Farm provide legal authority supporting its denials of Mr. Durant's
 14 medical bills. He pointed out that the demanding physical nature caused aggravations of his
 15 injuries. Finally, the attorney provided State Farm a letter from Dr. Rasmussen explaining
 16 that while Mr. Durant had reached MMI, his prognosis was guarded, and that instability
 17 throughout the thoracocervical, thoracolumbar, lumbosacral, and bilateral sacroiliac joints as
 18 well as instability of the right shoulder due labrum tear would mean that Mr. Durant would
 19 require conservative care on and off for his spinal and pelvic dysfunction. He would also
 20 experience a definite increase in degenerative joint disease throughout his neck, spine and his
 21 right shoulder due to his injuries. He recommended that during periods of aggravation Mr.
 22 Durant should receive conservative treatment to restore biomechanics reduce his symptoms
 23 of pain. He opined that these aggravations would each require 3-4 treatments to stabilize.
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1 5.13 State Farm ignored Dr. Rasmussen's opinion and did not relent on its position
2 denying the outstanding medical bills.
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4 5.14 Mr. Durant, through his attorney, responded by letter that Mr. Durant needed
5 medical treatment from time to time due to aggravations in order to stay at MMI, and that
6 this treatment should be considered reasonable, necessary and related under WAC 284-30-
7 395(1). He pointed out that under RCW 48.18.510 to the extent that the insurance policy
8 contradicted insurance regulations, it must be read as if it were in compliance with the code.
9 At this point Mr. Durant had unpaid medical bills of \$1,131.16, which had been denied by
10 State Farm (\$391.16 in chiropractic treatment and \$920 in massage therapy). The letter
11 notified State Farm that its conduct gave rise to a claim under the Insurance Fair Conduct Act
12 (IFCA) and gave State Farm 20 days to correct its position. This letter was carbon copied to
13 the Insurance Commissioner. State Farm made no substantive response to the IFCA letter and
14 did not pay Mr. Durant's outstanding medical bills.
15

16 5.15 Ultimately, Mr. Durant obtained a policy limits settlement from the tortfeasor
17 that was liable for the motor accident. He offered State Farm an opportunity to buy out his
18 claim pursuant to *Hamilton v. Farmer's Insurance Co.*, 107 Wn.2d 721 (1987). State Farm
19 declined to buy out the settlement. He informed State Farm that since he had received the
20 policy limits, he was not made whole as a matter of law. State Farm did not pay Mr. Durant's
21 outstanding medical bills.
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VI. UNDERLYING LAW

6.1 State Farm's conduct at issue here is governed by state common law of contracts, tort, etc., and also by state statutes and regulations protection consumers and regulating insurance companies.

6.2 The Washington Consumer Protection Act provides that "any deceptive acts or practices in the conduct of any trade or commerce [are unlawful]." RCW 19.86.020. It also creates a private right of action to enjoin violations and to recover damages and attorneys' fees. RCW 19.86.090.

6.3 The Washington insurance code declares, *inter alia*, that “[t]he business of insurance...requir[es] that all persons be actuated by good faith, abstain from deception, and practice honesty and equity in all insurance matters.” RCW 48.01.030. It also prohibits insurance companies from engaging in unfair or deceptive acts or practices in the conduct of their business. RCW 48.30.010.

6.4 Specific acts that the Insurance Commissioner has defined to be unfair claims-handling practices in violation of the insurance code include:

- Misrepresenting pertinent facts or insurance policy provisions.
 - Failing to acknowledge and act reasonably promptly upon communications with respect to claims arising under insurance policies.
 - Failing to adopt and implement reasonable standards for the prompt investigation of claims arising under insurance policies.
 - Failing to affirm or deny coverage of claims within a reasonable time after proof of loss statements have been completed.
 - Failing to promptly provide a reasonable explanation of the basis in the insurance policy in relation to the facts or applicable law for denial of a claim or for the offer of a compromise settlement
 - Failure to adopt and implement reasonable standards for the processing and payment of claims once the obligation to pay has been established.

WAC 284-30-330.

**COMPLAINT FOR DECLARATORY JUDGMENT AND
DAMAGES - 12**

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6.5 In addition, “[e]very insurer, upon receiving notification of claim, shall promptly provide necessary claim forms, instructions, and reasonable assistance so that first party claimants can comply with the policy conditions and the insurer's reasonable requirements.” WAC 284-30-360.

6.6 Moreover, “[e]very insurer shall complete investigation of a claim within thirty days after notification of claim, unless such investigation cannot reasonably be completed within such time.” WAC 284-30-370.

6.7 And “[w]ithin fifteen working days after receipt by the insurer of properly executed proofs of loss, the first party claimant shall be advised of the acceptance or denial of the claim by the insurer.” WAC 284-30-370.

6.8 The foregoing provisions of the insurance code can be enforced through the private right of action created by the state legislature in the Washington Consumer Protection Act: "actions and transactions prohibited or regulated under the laws administered by the insurance commissioner shall be subject to the provisions of RCW 19.86.020 and all sections of chapter...19.86 RCW which provide for the implementation and enforcement of RCW 19.86.020." RCW 19.86.170.

VII. STATE FARM' UNLAWFUL PRACTICES

7.1 Very simply, State Farm violated WAC 284-30-395(1), which provides the exclusive reasons that PIP benefits may be terminated. There are only four such reasons: benefits may be lawfully terminated for only one of four reasons: if treatment is not (1) reasonable, (2) necessary, (3) related to the accident, or (4) incurred within three years. WAC 284-30-395(1). No other reasons are permitted. Despite this, Defendant State Farm has

1 terminated or limited coverage based on a reason not listed, that is, whether the treatment is
2 not "essential in achieving maximum medical improvement for the bodily injury . . ." State
3 Farm is not permitted to violate insurance regulations, and yet it has systematically and
4 intentionally chosen to do so.

5 **VIII. CLAIMS**

6 **Violation of the Washington Consumer Protection Act and Insurance Code**

7 8.1 Plaintiff realleges each of the paragraphs above as if fully set forth herein.

8 8.2 Plaintiff's first cause of action is that State Farm committed illegal,
9 inequitable, unfair, and deceptive acts or practices prohibited by the Washington Consumer
10 Protection Act, the insurance code, and regulations promulgated thereunder, including but not
11 limited to RCW 48.01.030, RCW 48.30.010, RCW 19.86.170, RCW 19.86.020, RCW
12 19.86.090, and WAC 284-30-395.

13 8.3 State Farm's practices alleged herein are unfair and deceptive, committed in
14 the course of trade or commerce, impact the public interest, and are the proximate cause of
15 harm to Plaintiff and the proposed class members. *See* RCW 48.01.030. Pursuant to RCW
16 chapter 19.86, Plaintiff is entitled to damages, including treble damages, in addition to
17 prejudgment interest, cost, expenses and attorneys' fees.

18 **Breach of Contract**

19 8.4 Plaintiff realleges each of the paragraphs above as if fully set forth herein.

20 8.5 State Farm, by its acts and omissions described in this complaint, breached
21 and continues to breach its duties of good faith and fair dealing and its "enhanced obligation

of fairness towards its insured," which are all implicit in State Farm' insurance contracts. *See Safeco Ins. Co. of Amer. v. Butler*, 118 Wn.2d 383, 393 (1992).

8.6 State Farm's specific breaches include, but are not limited to (a) refusing to pay the amount of medical benefits it is contractually obligated to pay, and (b) failing to meet its duties of good faith.

8.7 Plaintiff and the proposed class have been damaged by State Farm's breaches, while State Farm has unreasonably profited from them. Plaintiff and the proposed class are entitled to declaratory and injunctive relief prohibiting State Farm from engaging in the breaches alleged in this complaint. They are also entitled to damages in an amount to be proven at trial, together with prejudgment interest, expenses, and costs.

Tortious Bad Faith Handling of Insurance Claims

8.8 Plaintiff realleges each of the paragraphs above as if fully set forth herein.

8.9 State Farm, by its acts and omissions described in this complaint, committed the tort of bad faith handling of insurance claims. *See Butler*, 118 Wash. 2d at 389.

8.10 State Farm's specific tortious activities include, but are not limited to (a) refusing to pay the amount of medical benefits it is obligated to pay, and (b) handling insurance claims in bad faith and in direct violation of the Washington Admininstrative Code.

8.11 Plaintiff and the proposed class have been damaged by State Farm's tortious conduct, while State Farm has unreasonably profited from it. Plaintiff and the proposed class are entitled to declaratory and injunctive relief prohibiting State Farm from engaging in the conduct alleged in this complaint. They are also entitled to damages in an amount to be proven at trial, together with prejudgment interest, expenses, and costs.

Violation of the Insurance Fair Conduct Act

8.12 Plaintiff realleges each of the paragraphs above as if fully set forth herein.

8.13 Pursuant to RCW 48.30.015, the plaintiff asserts that State Farm did unreasonably deny and terminate benefits. The plaintiff seeks a determination that the defendant did act unreasonably in denying the plaintiff's PIP claims for coverage or payment of benefit. The plaintiff seeks the amount of the benefits improperly withheld, repayment of subrogation payments made to State Farm by it insured, and noneconomic damages for the prolonged pain and suffering and loss enjoyment of life its insured were subjected to due to the denial of medical care, together with and award of reasonable attorneys' fees and actual and statutory litigation costs, including expert witness fees, to the first party claimant of an insurance contract who is the prevailing party in such an action and treble damages.

IX. DEMAND FOR JURY

9.1 Plaintiff hereby demands a trial by jury on all issues so triable as a matter of right. In the event this matter is removed, then this prayer for a jury trial should be construed as a demand for a jury under Rule 81.

PRAYER FOR RELIEF

WHEREFORE, the Plaintiff herein prays for the following relief:

1. A declaration that State Farm has violated and continues to violate the Washington Consumer Protection Act and the Washington insurance code by limiting coverage in violation of WAC 284-30-395.

2. A declaration that, by committing the acts alleged herein, State Farm has breached and continues to breach its insurance contracts with Plaintiff and the proposed class.

1 3. A declaration that, by committing the acts alleged herein, State Farm has
2 committed and continues to commit tortious bad faith handling of insurance claims.

3 4. A declaration that, by committing the acts alleged herein, State Farm has
4 violated and continues to violate the Insurance Fair Conduct Act.

5 5. A declaration that, by violating its duty of good faith and by breaching the
6 insurance contract, State Farm's has extinguished its equitable right to
7 subrogation/reimbursement on payments that it made on its insureds' PIP claim.

8 6. An injunction requiring State Farm to cease and desist using the wrong
9 standards to discontinue PIP benefits to its insureds.

10 7. An injunction requiring State Farm, immediately upon being notified of the
11 injury, to clearly inform injured insureds and third-party beneficiaries that State Farm may
12 only disallow charges that are not reasonable and necessary, and shall discontinue using
13 terms involving maximum medical improvement or any such equivalent.

14 8. An award to Plaintiff and the class compelling State Farm to pay any and all
15 outstanding medical bills that were due and owing at the time it unilaterally and without
16 justification cut off insurance benefits, together with collection fees and all consequential
17 damages flowing from State Farm's failure to pay said amounts.

18 9. An award to the Plaintiff and the class compelling State Farm to pay
19 noneconomic damages for the prolonged pain and suffering, mental and emotional distress
20 and loss of enjoyment of life sustained by its insureds due to their inability to obtain medical
21 treatment due to State Farm's conduct.

10. Repayment to its insureds of any subrogation payments received from State Farm by its insureds arising from benefits paid by State Farm on its insured's PIP claims.

11. An award to Plaintiff and the class for any and all of their damages to be proven at trial, together with costs and prejudgment interest at the maximum rate allowable by law.

12. An award to Plaintiff and the class of treble damages, as allowed by RCW
19.86.090.

13. Treble and all other damages allowed by the Insurance Fair Conduct Act.

14. An award to Plaintiff of the expenses of this suit, including costs, reasonable attorneys' and experts' fees.

15. A waiver of State Farm's subrogation interest of all PIP claims in which treatment was unlawfully denied, limited, or terminated.

16. Any and all further relief as the Court may deem just and equitable.

DATED this 11th day of April, 2014.

VAN SICLEN, STOCKS & FIRKINS

/s/ Tyler K. Firkins

By:

Tyler K. Firkins, WSBA #20964
Attorney for Plaintiff

/s/ David Nauheim

By:

**David Nauheim, WSBA #41880
Attorney for Plaintiff**



Please read the policy carefully. If there is an accident, contact your State Farm agent or one of our Claim Offices at once. (See "INSURED'S DUTIES" in this policy booklet.)

of the termination to the lessor

State Farm® Car Policy Booklet

Washington
Policy Form 9847A

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THIS POLICY	43
1. This policy consists of:	43
a. the most recently issued Declarations Page;	43
b. the policy booklet version shown on that Declarations Page; and	43
c. any endorsements that apply, including those listed on the Declarations Page as well as those issued in connection with any subsequent renewal of this policy.	43
2. This policy contains all of the agreements between all named insureds and applicants and:	43
a. us; and	43
b. any of our agents.	43
3. We agree to provide insurance according to the terms of this policy:	43
a. based on payment of premium for the coverages chosen; and	43
b. unless otherwise stated in EXCLUSIONS, POLICY BOOKLET, AND ENDORSEMENTS on the Declarations Page, in reliance on the following statements:	43

DEFINITIONS.

We define certain words and phrases below for use throughout the policy. Each coverage includes additional definitions only for use with that coverage. These definitions apply to the singular, plural, and possessive forms of these words and phrases. Defined words and phrases are printed in boldface italics.

Body Injury means bodily injury to a person and sickness, disease, or death that results from it.

Car means a land motor vehicle with four or more wheels, designed for use primarily on public roads. It does not include:

1. Any vehicle while located for use as a dwelling or other premises; or

2. A truck-tractor designed to pull any type of trailer.

Car Business means a business or job where the purpose is to sell, lease, rent, repair, service, modify, transport, store, or park land motor vehicles or any type of trailer.

Fungi means any type or form of fungus or fungicidal and includes:

1. Mold;

2. Mildew; and

3. Any of the following that are produced or released by fungi:

- a. Mycotoxins;

b. Spores;

c. Scents; or

d. Byproducts.

Newly Acquired Car means a car newly owned by you. A car ceases to be a newly acquired car on the earliest of:

1. the effective date and time of a policy, including any binder, issued by us or any other company that describes the car as an insured vehicle; or

2. the end of the 14th calendar day immediately following the date the car is delivered to you.

If a newly acquired car is not otherwise afforded comprehensive coverage or collision

2. a pickup truck, van, minivan, or sport utility vehicle;
3. that is not used for:

- (1) wholesale; or

(2) retail;

- b. that has a Gross Vehicle Weight Rating of 10,000 pounds or less;

Resident Relative means a person, other than you, who resides primarily with the first person shown as a named insured on the Declarations Page and who is:

1. related to that named insured or his or her spouse by blood, marriage, or adoption.

An unmarried and unemancipated child of that named insured or his or her spouse is considered to reside primarily with that named insured while that child is away at school; or

2. a ward or a foster child of that named insured; his or her spouse, or a person described in 1. above.

State Farm Companies means one or more of the following:

1. State Farm Mutual Automobile Insurance Company;

2. State Farm Fire and Casualty Company; and

3. Any of their affiliates.

Temporary Substitute Car means a car that is in the lawful possession of the person operating it and that:

1. replaces your car for a short time while your car is out of use due to its:

- a. breakdown;

- b. repair;

- c. servicing;

- d. damage; or

- e. theft; and

2. neither you nor the person operating it owns, or has registered,

3. or Collision Coverage for that newly acquired car, subject to a deductible of \$350. Any coverage provided as a result of this paragraph will apply only until the end of the 3rd calendar day immediately following the date the newly acquired car is delivered to you.

4. if a car of the private passenger type, other than a pickup truck, van, minivan, or sport utility vehicle, designed primarily to carry persons and their baggage; or

If a car qualifies as both a non-owned car and a temporary substitute car, then it is considered a temporary substitute car only.

Trailer means:

1. only those trailers:

- a. designed to be pulled by a private passenger car;

- b. not designed to carry persons; and

- c. while not used as premises for office, store, or display purposes; or

2. a farm implement or farm wagon while being pulled on public roads by a car.

Us means the Company issuing this policy as shown on the Declarations Page.

You or "Your" means the named insured or named insureds shown on the Declarations Page. If a named insured shown on the Declarations Page is a person, then "you" or "your" includes the spouse of the first person shown as a named insured if the spouse resides primarily with that named insured.

Your Car means the vehicle shown under YOUR CAR on the Declarations Page. Your Car does not include a vehicle that you no longer own or lease.

If a car is shown on the Declarations Page under YOUR CAR, and you ask us to replace it with a car newly owned by you, then the car being replaced will continue to be considered your car until the earliest of:

1. the end of the 30th calendar day immediately following the date the car newly owned by you is delivered to you;

2. the date this policy is no longer in force; or

3. the date you no longer own or lease the car being replaced.

LIABILITY COVERAGE

This policy provides Liability Coverage if "A" is shown under "Symbols" on the Declarations Page.

Additional Definition

Insured means:

1. you and resident relatives for:

- a. the ownership, maintenance, or use of:

(1) *your car;*

(2) a *newly acquired car;* or

(3) a *rental car;* and

- b. the maintenance or use of:

(1) a *non-owner's car;* or

(2) a *temporary substitute car;*

2. the first person shown as a named insured on the Declarations Page and that named insured's spouse who resides primarily with that named insured for the maintenance or use of a car that is *owned by*, or furnished by an employer to, a person who resides primarily in *your* household, but only if such car is neither *owned by* nor furnished by an employee to, the first person shown as a named insured on the Declarations Page or that person's spouse;

3. any other person for his or her use of:

a. *your car;*

b. a *newly acquired car;*

c. a *temporary substitute car;* or

d. a *traveler* while attached to a car described in a, b, or c. above.

Such vehicle must be used within the scope of *your* consent, and

4. any other person or organization vicariously liable for the use of a vehicle by an *Insured* as defined in items 1., 2., or 3. above, but only for such vicarious liability. This provision applies only if the vehicle is neither *owned by*, nor *billed by*, that other person or organization.

Insured does not include the United States of America or any of its agencies.

Insuring Agreement**1. We will pay:**

- a. damages an *insured* becomes legally liable to pay because of:

(1) *bodily injury* to others; and

(2) damage to property

caused by an accident that involves a vehicle for which that *insured* is provided Liability Coverage in this policy.

b. attorney fees for *defenders* chosen by us to defend an *insured* who is sued for such damages, and

c. court costs charged to an *insured* and resulting from that part of a lawsuit:

(1) that seeks damages payable under this policy's Liability Coverage; and

(2) against which we defend an *insured* with attorneys chosen by us.

We have no duty to pay attorney fees and court costs incurred after we pay or deposit in court, with either the approval of the *insured*, or as required by law, all amounts due under this policy's Liability Coverage.

2. Premiums for bonds, provided by a court, we deposit in court, pay or offer to pay, the amount the *insured* has filed against an *insured*.

3. The following costs and expenses if related to and incurred after a lawsuit has been filed against an *insured*:

a. Loss of wages or salary, but not other income, up to \$200 for each day an *insured* attends, at our request:

(1) an arbitration;

(2) a mediation; or

(3) a trial of a lawsuit; and

b. Reasonable expenses incurred by an *insured* at our request other than loss of wages, salary, or other income.

The amount of any of the costs or expenses listed above that are incurred by an *insured* must be reported to us before we will pay such incurred costs or expenses.

Supplementary Payments

We will pay, in addition to the damages, fees, and costs described in the Insuring Agreement above, the interest, premiums, costs, and expenses listed below that result from such accidents:

1. Interest on damages owed by the *insured* that accrues:

 - a. before a judgment, where owed by law, but only on that part of the judgment we pay; and

b. after a judgment. We will not pay interest on damages paid or payable by a party other than the *insured* or us.

We have no duty to pay interest that accrues after we deposit in court, pay, or offer to pay, the amount due under this policy's Liability Coverage;

2. Premiums for bonds, provided by a court, we deposit in court, pay or offer to pay, the amount the *insured* has filed against an *insured*. We have no duty to:

- a. pay for bonds that exceed this policy's applicable Liability Coverage limit;
- b. furnish or apply for any bonds; or
- c. pay premiums for bonds purchased after we deposit in court, pay or offer to pay, the amount the *insured* has filed against this policy's Liability Coverage; and

3. The following costs and expenses if related to and incurred after a lawsuit has been filed against an *insured*:

a. Loss of wages or salary, but not other income, up to \$200 for each day an *insured* attends, at our request:

(1) an arbitration;

(2) a mediation; or

(3) a trial of a lawsuit; and

b. Reasonable expenses incurred by an *insured* at our request other than loss of wages, salary, or other income.

The amount of any of the costs or expenses listed above that are incurred by an *insured* must be reported to us before we will pay such incurred costs or expenses.

Limit

The Liability Coverage limits for *bodily injury* are shown on the Declarations Page under "Liability Coverage - Bodily Injury Limits - Each Person, Each Accident."

The limit shown under "Each Person" is the most we will pay for all damages resulting from *bodily injury* to any one person injured in any one accident, including all damages sustained

by other persons as a result of that *bodily injury*. The limit shown under "Each Accident" is the most we will pay, subject to the limit for "Each Person", for all damages resulting from *bodily injury* to two or more persons injured in the same accident.

The Liability Coverage limit for damage to property is shown on the Declarations Page under "Liability Coverage - Property Damage Limit - Each Accident". The limit shown is the most we will pay for all damages resulting from damage to property in any one accident.

These Liability Coverage limits are the most we will pay regardless of the number of *insureds*:

1. *insureds*;
2. claims made;
3. vehicles insured; or
4. Vehicles involved in the accident.

We will not pay any damages or expenses under Nonadjudication Liability Coverage.

We will not pay any damages or expenses under *parties to you or any resident relative*, under Medical Payments Coverage of any policy issued by the State Farm Companies to you or any resident relative; or

2. that have already been paid as expenses under Personal Injury Protection Coverage of any policy issued by the State Farm Companies to you or any resident relative; or

3. that have already been paid under the Undisputed Motor Vehicle Coverages of any policy issued by the State Farm Companies to you or any resident relative.

Exclusions

THERE IS NO COVERAGE FOR AN IN- SURED.

1. WHO INTENTIONALLY CAUSES BODILY INJURY OR DAMAGE TO PROPERTY.

1. OR FOR THAT INSURED'S INSURER FOR ANY OBLIGATION UNDER ANY TYPE OF WORKERS' COMPENSA- TION, DISABILITY, OR SIMILAR LAW,

3. FOR **BODILY INJURY TO THAT INSURED'S EMPLOYEE WHICH ARISES OUT OF THAT EMPLOYEE'S EMPLOYMENT.** This exclusion does not apply to that insured's household employee who is neither covered, nor required to be covered, under worker's compensation insurance.
4. FOR **BODILY INJURY TO THAT INSURED'S FELLOW EMPLOYEE WHILE THE FELLOW EMPLOYEE IS IN THE COURSE AND SCOPE OF HIS OR HER EMPLOYMENT.** This exclusion does not apply to *your* and *resident relatives* who are legally liable for *bodily injury* to fellow employees.
5. FOR **DAMAGES ARISING OUT OF THE OWNERSHIP, MAINTENANCE, OR USE OF A VEHICLE WHILE IT IS RENTED TO OR LEASED TO OTHERS BY AN INSURED.**
6. FOR **DAMAGES ARISING OUT OF THE OWNERSHIP, MAINTENANCE, OR USE OF A VEHICLE WHILE IT IS BEING USED TO CARRY PERSONS FOR A CHARGE.** This exclusion does not apply to the use of a *private passenger car* on a share-the-expense basis.
7. WHILE **MAINTAINING OR USING A VEHICLE IN CONNECTION WITH THAT INSURED'S EMPLOYMENT IN OR ENGAGEMENT OF ANY KIND IN A CAR BUSINESS.** This exclusion does not apply to:
- your*; or
 - any resident relative* while maintaining or using *your car*, a *newly acquired car*, a *temporary substitute car*, or a *motor trailer*.
8. WHILE **THAT INSURED IS VALET PARKING A VEHICLE.**
9. WHILE **MAINTAINING OR USING ANY VEHICLE OTHER THAN YOUR CAR, A NEWLY ACQUIRED CAR, A TEMPORARY SUBSTITUTE CAR, OR A TRAILER IN ANY BUSINESS OR**
10. FOR **DAMAGE TO PROPERTY WHILE OCCUPATION OTHER THAN A CAR BUSINESS OR VALET PARKING.** This exclusion does not apply to the maintenance or use of a *private passenger car*, or more of the *State Farm Companies* applicable for the damage. This exclusion does not apply if *the State Farm Companies* do not apply to *the other damage* to a *residence* while *rented to* or *leased to* an *insured* or *damage to a private garage* while *rented to or leased to an insured*.
11. FOR **LIABILITY ASSUMED UNDER ANY CONTRACT OR AGREEMENT ISSUED BY A COURT IN A CRIMINAL PROCEEDING OR EQUITABLE ACTION:**
12. FOR **ANY ORDER OF RESTITUTION ISSUED BY A COURT IN A CRIMINAL PROCEEDING OR EQUITABLE ACTION:**
13. WHILE **USING A TRAILER WITH A MOTOR VEHICLE IF THAT INSURED IS NOT PROVIDED LIABILITY COVERAGE BY THIS POLICY FOR THE USE OF THAT MOTOR VEHICLE;**
14. FOR **THE OWNERSHIP, MAINTENANCE, OR USE OF ANY VEHICLE WHILE IT IS:**
- OFF PUBLIC ROADS AND BEING PREPARED FOR, USED IN PRACTICE FOR, OR OPERATED IN ANY RACING CONTEST, SPEED TEST, HILL-CLIMBING CONTEST, JUMPING CONTEST, OR ANY SIMILAR CONTEST; OR**
 - ON A TRACK DESIGNED PRIMARILY FOR RACING OR HIGH SPEED DRIVING; OR**

3. FOR **BODILY INJURY TO THAT INSURED'S EMPLOYEE WHICH ARISES OUT OF THAT EMPLOYEE'S EMPLOYMENT.** This exclusion does not apply to that insured's household employee who is neither covered, nor required to be covered, under worker's compensation insurance.
4. FOR **BODILY INJURY TO THAT INSURED'S FELLOW EMPLOYEE WHILE THE FELLOW EMPLOYEE IS IN THE COURSE AND SCOPE OF HIS OR HER EMPLOYMENT.** This exclusion does not apply to *your* and *resident relatives* who are legally liable for *bodily injury* to fellow employees.
5. FOR **DAMAGES ARISING OUT OF THE OWNERSHIP, MAINTENANCE, OR USE OF A VEHICLE WHILE IT IS RENTED TO OR LEASED TO OTHERS BY AN INSURED.**
6. FOR **DAMAGES ARISING OUT OF THE OWNERSHIP, MAINTENANCE, OR USE OF A VEHICLE WHILE IT IS BEING USED TO CARRY PERSONS FOR A CHARGE.** This exclusion does not apply to the use of a *private passenger car* on a share-the-expense basis.
7. WHILE **MAINTAINING OR USING A VEHICLE IN CONNECTION WITH THAT INSURED'S EMPLOYMENT IN OR ENGAGEMENT OF ANY KIND IN A CAR BUSINESS.** This exclusion does not apply to:
- your*; or
 - any resident relative* while maintaining or using *your car*, a *newly acquired car*, a *temporary substitute car*, or a *motor trailer*.
8. WHILE **THAT INSURED IS VALET PARKING A VEHICLE.**
9. WHILE **MAINTAINING OR USING ANY VEHICLE OTHER THAN YOUR CAR, A NEWLY ACQUIRED CAR, A TEMPORARY SUBSTITUTE CAR, OR A TRAILER IN ANY BUSINESS OR**

10. FOR **DAMAGE TO PROPERTY WHILE OCCUPATION OTHER THAN A CAR BUSINESS OR VALET PARKING.** This exclusion does not apply to the maintenance or use of a *private passenger car*, or more of the *State Farm Companies* applicable for the damage. This exclusion does not apply if *the State Farm Companies* do not apply to *the other damage* to a *residence* while *rented to* or *leased to* an *insured* or *damage to a private garage* while *rented to or leased to an insured*.
11. FOR **LIABILITY ASSUMED UNDER ANY CONTRACT OR AGREEMENT ISSUED BY A COURT IN A CRIMINAL PROCEEDING OR EQUITABLE ACTION:**
12. FOR **ANY ORDER OF RESTITUTION ISSUED BY A COURT IN A CRIMINAL PROCEEDING OR EQUITABLE ACTION:**
13. WHILE **USING A TRAILER WITH A MOTOR VEHICLE IF THAT INSURED IS NOT PROVIDED LIABILITY COVERAGE BY THIS POLICY FOR THE USE OF THAT MOTOR VEHICLE;**
14. FOR **THE OWNERSHIP, MAINTENANCE, OR USE OF ANY VEHICLE WHILE IT IS:**
- OFF PUBLIC ROADS AND BEING PREPARED FOR, USED IN PRACTICE FOR, OR OPERATED IN ANY RACING CONTEST, SPEED TEST, HILL-CLIMBING CONTEST, JUMPING CONTEST, OR ANY SIMILAR CONTEST; OR**
 - ON A TRACK DESIGNED PRIMARILY FOR RACING OR HIGH SPEED DRIVING; OR**

15. WHO IS AN EMPLOYEE OF THE UNITED STATES OF AMERICA OR ANY OF ITS AGENCIES IF THE PROVISIONS OF THE FEDERAL TORT CLAIMS ACT APPLY.
- If Other Liability Coverage Applies
1. If Liability Coverage provided by this policy and one or more other Car Policies issued to *you* or any *resident relative* by one or more of the *State Farm Companies* apply to the same accident, then:
- the Liability Coverage limits of such policies will not be added together to determine the most that may be paid; and
 - the maximum amount that may be paid from all such policies combined is the single highest applicable limit provided by any one of the policies. *We* may choose one or more policies from which to make payment.
2. The Liability Coverage provided by this policy applies as primary coverage for the ownership, maintenance, or use of *your car* or a *motor trailer* attached to it.
3. If:
- (1) this is the only Car Policy issued to *you* or any *resident relative* by the *State Farm Companies* that provides Liability Coverage which applies to the accident as primary coverage; and
 - (2) liability coverage provided by one or more sources other than the *State Farm Companies* also applies as primary coverage for the same accident, then we will pay the proportion of damages payable as primary that *our applicable limit bears to the sum of all other liability coverage that apply as excess coverage.*
4. If:
- (1) more than one Car Policy issued to *you* or any *resident relative* by the *State Farm Companies* provides Liability Coverage which applies as primary coverage for the same accident, then the *State Farm Companies* will pay the proportion of damages payable as primary that the maximum amount that may be paid by the *State Farm Companies* as determined in item 1 above bears to the sum of such amount and the limits of all other liability coverage that apply as primary coverage.
 - Except as provided in item 2. above, the Liability Coverage provided by this policy applies as excess coverage.

5. *State Farm Companies* provides Liability Coverage which applies to the accident as primary coverage for the accident, and:
- (1) this is the only Car Policy issued to *you* or any *resident relative* by the *State Farm Companies* that provides Liability Coverage which applies to the accident as excess coverage; and
 - (2) liability coverage provided by one or more sources other than the *State Farm Companies* also applies as excess coverage for the same accident, then we will pay the proportion of damages payable as excess that *our applicable limit bears to the sum of all other liability coverage that apply as excess coverage.*
6. If:
- (1) more than one Car Policy issued to *you* or any *resident relative* by the *State Farm Companies* provides Liability Coverage which applies to the accident as

(2) liability coverage provided by one or more sources other than the State Farm Companies also applies as excess coverage for the same accident, then the State Farm Companies will pay the proportion of damages payable as excess that the maximum amount that may be paid by the State Farm Companies as determined in item 1. above bears to the sum of such amount and the limits of all other liability coverage that apply as excess coverage.

Required Out-of-State Liability Coverage

If 1. an insured is in another state, the District of Columbia, or any province of Canada, and as a nonresident becomes subject to its

motor vehicle compulsory insurance law, financial responsibility law, or similar law, then this policy will be interpreted to provide the minimum liability coverage required by such law for such nonresident, and such law for such nonresident, and

minimum liability coverage required by such law will be interpreted to provide the minimum liability coverage required by such law.

This provision does not apply to liability coverage required by law for motor carriers of passengers or motor carriers of property.

Financial Responsibility Certification

When this policy is certified under any law as proof of future financial responsibility, and while required during the policy period, this policy will comply with such law to the extent required.

PERSONAL INJURY PROTECTION COVERAGE

This policy provides Personal Injury Protection Coverage if "P1", "P2", "P3", "P4", "P5", or "P6" is shown under "Symbols" on the Declaration Page.

Additional Definitions

Automobile means every motor vehicle registered or designed for carrying ten passengers or less and used for the transportation of persons other than:

1. a motorcycle or a motor-driven cycle;
2. a farm-type tractor or other self-propelled equipment designed for use principally off public roads;
3. a vehicle operated on rails or crawler treads;
4. a vehicle located for use as a residence; or
5. a moped.

Insured means:

1. *you*;
2. *resident relatives*; and
3. any other person:
 - a. while occupying with your permission; or

It applies during a period that:

a. begins on the 14th day after the date of the accident, and

b. ends either:

(1) when the insured is reasonably able to perform the duties of his or her usual occupation;

(2) 52 weeks after such 14th day begins; or

(3) on the date of the insured's death; whichever occurs first.

4. Loss of Services Benefits, which are payable for reasonable expenses actually incurred for services:

a. the insured would have performed without pay for his or her household except for the injury;

b. furnished by someone other than a member of the insured's household; and

c. furnished during a period that:

(1) begins on the date of the accident; and

(2) ends either:

(a) when the insured is reasonably able to perform those services;

(b) 365 days after the date of the accident; or

(c) when the insured dies; whichever occurs first.

1. Medical and Hospital Benefits, which are payments for reasonable medical expenses incurred within three years of the date of the accident.

2. Funeral Expense Benefits, which are payments for reasonable expenses actually incurred for funeral, burial or cremation.

3. Income Continuation Benefits, which are payments for the insured's actual loss of income from work because of continuous inability to perform the duties of his or her usual occupation.

liability policies issued in the state where medical services are provided; and

(2) as prescribed or authorized by the law of the state where medical services are provided;

c. The fees agreed to by both the insured's healthcare provider and us; or

d. The fees agreed upon between the insured's healthcare provider and a third party when we have a contract with such third party.

2. incurred for necessary:

a. medical, surgical, X-ray, dental, ambulance, hospital, and professional nursing services, and

b. pharmaceuticals, eyeglasses, hearing aids, and prosthetic devices

that are rendered by or prescribed by a licensed medical provider within the legally authorized scope of the provider's practice and are essential in achieving maximum medical improvement for the bodily injury sustained in the accident.

Subject to 1. and 2. above, semi-private room charges are the most we will pay unless intensive care is medically required.

Insuring Agreement

We will provide personal injury protection benefits to an insured for bodily injury sustained by that insured and caused by an automobile accident.

Determining Reasonable Medical Expenses

We have the right to:

a. obtain and use:

1. peer reviews; and

2. medical bill reviews

of the medical expenses and services to determine if they are reasonable and necessary for the bodily injury sustained;

2. use a medical examination of the insured to determine if:

- a. the bodily injury was caused by a motor vehicle accident; and
- b. the medical expenses and services are reasonable and necessary for the bodily injury sustained; and
3. enter into a contract with a third party that has an agreement with the insured's healthcare provider to charge fees as determined by that agreement.
- Arbitration:**
- If there is a disagreement as to whether claimed expenses or actual loss of income claimed by an insured are payable as personal injury protection benefits, then the disagreement will be resolved by arbitration upon mutual written consent of the insured and us.
 - The arbitration will take place in the county in which the insured resides, unless the parties agree to another location.
 - The insured and we will jointly select a competent and impartial arbitrator. If unable to agree on an arbitrator within 30 days, then either the insured or we may petition a court that has jurisdiction to select the arbitrator.
 - Each party will pay the cost of its own attorneys and expert witnesses, as well as any other expenses incurred by that party.
 - Both parties will share equally the cost of the arbitration.

3. The arbitrator shall only decide whether incurred expenses and actual loss of income claimed by an insured are payable as personal injury protection benefits. The arbitrator shall have no authority to decide any other questions of fact, decide any questions of law, or conduct arbitration on a class-wide or class-representative basis.

4. The arbitrator's written decision, that contains an explanation of how the decision was arrived at, will be binding on us and the insured.

5. Subject to items 1, 2, 3, and 4, above, state court rules governing procedure and admission of evidence will be used.
6. Neither we nor the insured waive, any rights by submitting to arbitration.

Limits:

- The Personal Injury Protection Coverage limits are shown in the following Schedule:
- The applicable amount, shown below the Personal Injury Protection Coverage Symbol found on the schedule that matches the symbol shown under "Symbol" on the Declaration Page for each personal injury protection benefit is the most we will pay for any one insured in any one accident.
 - An amount payable under Personal Injury Protection Coverage other than under Loss of Income Expense, will be reduced by any amount paid or payable to or for the insured under any:

- wonkers' compensation law;
 - any similar medical or disability benefits law.
- This does not apply to benefits paid or payable under Medicare.
3. The most we will pay per week for Loss of Income is the lesser of:
- 85% of the joint loss of income from work;
 - 85% of the insured's weekly income reduced by any weekly payment received under any worker's compensation benefit, other disability insurance benefit or other income continuation benefit. Any Loss of Income coverage is excess over any worker's compensation or other disability insurance benefits required by law; or
 - the maximum applicable weekly benefit shown in the schedule.

Payments will be made on a monthly basis within 30 days after we have proof of the amount due.

4. Schedule	Coverage Designation	P1	P2	P3	P4	P5	P6
1. Medical Expenses	\$10,000	\$25,000	\$50,000	\$100,000	\$150,000	\$35,000	
2. Funeral	\$2,500	\$3,000	\$3,000	\$3,000	\$3,000	\$2,000	
3. Loss of Income							
(a) Maximum total benefit	\$10,000	\$10,000	\$15,600	\$20,800	\$36,400	\$35,000	
(b) Maximum weekly benefit	\$200	\$200	\$300	\$400	\$700	\$700	
(c) Number of weeks	52	52	52	52	52	52	
4. Loss of Services Expenses							
(a) Maximum total benefit	\$5,000	\$5,000	\$5,000	\$5,000	\$14,600	\$14,600	
(b) Maximum daily benefit	\$40	\$40	\$40	\$40	\$40	\$40	
(c) Maximum weekly benefit	\$200	\$200	\$200	\$200	\$280	\$280	

"IF IT IS NOT YOUR CAR OR A NEWLY ACQUIRED CAR,
WHO IS A RESIDENT RELATIVE AND WHILE OCCUPYING A MOTOR VEHICLE OWNED BY; OR

THAT INSURED IF THAT MOTOR VEHICLE IS NOT YOUR CAR,

FURNISHED FOR THE REGULAR USE OF

WHICH BODILY INJURY RESULTS FROM WAR OR ANY KIND,

WHOSE BODILY INJURY RESULTS FROM NUCLEAR REACTION,

RADIATION OR "RADIOACTIVE CONTAMINATION" FROM ANY SOURCE, OR

THE ACCIDENTAL OR INTENTIONAL DETONATION OF, OR RELEASE OF, RADIATION FROM, ANY NUCLEAR OR RADIOACTIVE DEVICE; OR

WHO IS OCCUPying A VEHICLE WHILE IT IS:

a. BEING PREPARED FOR, USED IN PRACTICE FOR, OR OPERATED IN ANY RACING, CONTEST, SPEED CONTEST, HILL-CLIMBING,

- WHO INTENTIONALLY CAUSES BODILY INJURY TO HIMSELF OR HERSELF;
- WHOSE BODILY INJURY RESULTS FROM THAT INSURED'S USE OF AN AUTOMOBILE IN THE COMMISSION OF A FELONY;
- WHO IS OCCUPying A MOTOR VEHICLE;
- OWNED BY YOU OR
- PURFISHED FOR YOUR REGULAR USE

- CONTEST, JUMPING CONTEST, OR ANY SIMILAR CONTEST; OR**
- b. ON A TRACK DESIGNED PRIMARILY FOR RACING OR HIGH SPEED DRIVING**
- If Other Personal Injury Protection Coverage or Similar Vehicle Insurance Applies**
1. An insured shall not recover for the same **personal injury protection benefits** under both this coverage and other personal injury protection coverage or similar vehicle insurance.
- 2. If Personal Injury Protection Coverage is provided by this policy and one or more other vehicle policies issued to you or any resident relative by one or more of the State Farm Companies apply to the same bodily injury, then:**
- a. the Personal Injury Protection Coverage limits of such policies shall not be added together to determine the most that may be paid; and
 - b. the maximum amount that may be paid from all such policies combined is the single highest applicable limit provided by any one of the policies. We may choose one or more policies from which to make payment.
- 3. The Personal Injury Protection Coverage provided by this policy applies as primary coverage for an insured who sustains **bodily injury** while *occupying your car* or a trailer attached to it.**
- a. If:**
- (1) this is the only vehicle policy issued to you or any resident relative by the State Farm Companies that provides Personal Injury Protection coverage or other similar vehicle insurance which applies as primary coverage to the same accident, then the State Farm Companies will pay the proportion of **personal injury protection benefits** payable as primary that the maximum amount that may be paid by the State Farm Companies as excess coverage, determined in item 2., above, bears to the sum of such amount and the limits of all other personal injury protection coverage or similar vehicle insurance that apply as excess coverage.

- (2) more than one vehicle policy is issued to you or any resident relative by the State Farm Companies provides Personal Injury Protection Coverage or other similar vehicle insurance which applies as primary coverage; and
- (2) personal injury protection coverage of other similar vehicle insurance provided by one or more sources other than the State Farm Companies also applies as primary coverage for the same accident, then we will pay the proportion of **personal injury protection benefits** payable as primary that our applicable limit bears to the sum of our applicable limit and the limits of all other personal injury protection coverage or similar vehicle insurance that apply as primary;**
- b. If:**
- (1) more than one vehicle policy is issued to you or any resident relative by the State Farm Companies provides Personal Injury Protection Coverage or other similar vehicle insurance which applies as primary coverage; and
- (2) personal injury protection coverage of other similar vehicle insurance provided by one or more sources other than the State Farm Companies also applies as primary coverage for the same accident, then we will pay the proportion of **personal injury protection benefits** payable as excess coverage, determined in item 2., above, bears to the sum of such amount and the limits of all other personal injury protection coverage or similar vehicle insurance that apply as excess coverage.**

- (2) personal injury protection coverage or other similar vehicle insurance provided by one or more sources other than the State Farm Companies also applies as excess coverage for the same accident, then the State Farm Companies will pay the proportion of **personal injury protection benefits** payable as excess coverage, determined in item 2., above, bears to the sum of such amount and the limits of all other personal injury protection coverage or similar vehicle insurance that apply as excess coverage.**
- Our Payment Options**
- We may, at our option, make payment to one or more of the following:
1. The insured.
 2. Any person or organization that provides medical services.
 3. A parent or guardian of the insured, if the insured is a minor or an incompetent person; or
 4. A person authorized by law to receive such payment.

MEDICAL PAYMENTS COVERAGE

This policy provides Medical Payments Coverage if "C" is shown under "Symbols" on the Declarations Page.

Additional Definitions

1. **you and resident relatives:**

a. while occupying:

- (1) *your car*;
- (2) a *newly acquired car*;
- (3) a *temporary substitute car*;
- (4) a *non-temporary car*; or
- (5) a *trailer* while attached to a car described in a, b, or c. above.

Such vehicle must be used within the scope of your consent.

b. a *pedestrian*:

1. necessary to achieve maximum medical improvement for the **bodily injury**;
2. rendered by a healthcare provider;

- a. who is licensed as a healthcare provider if a license is required by law;
 - b. within the legally authorized scope of that healthcare provider's practice;
 - 3. commonly and customarily recognized throughout the medical profession and within the United States as appropriate for the treatment of the *bodily injury*;
 - 4. primarily designed to serve a medical purpose;
 - 5. not experimental; and
 - 6. not for research purposes.
- Pedestrian** means a person who is not occupying:
- 1. a motorized vehicle; or
 - 2. a vehicle designed to be pulled by a motorized vehicle.
- Reasonable Expenses** mean the lowest one of the following charges:
1. The usual and customary fees charged by a majority of healthcare providers who provide similar *medical services* in the geographical area in which the charges were incurred;
 2. The fee specified in any fee schedule:
 - a. applicable to medical payments coverage, no-fault coverage, or personal injury protection coverage included in motor vehicle liability policies issued in the state where *medical services* are provided; and
 - b. as prescribed or authorized by the law of the state where *medical services* are provided; 3. The fees agreed to by both the *Insured's* healthcare provider and us; or
 4. The fees agreed upon between the *Insured's* healthcare provider and a third party when we have a contract with such third party.

Insuring Agreement

We will pay:

1. *medical expenses* incurred because of *bodily injury* that is sustained by an *insured*

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- a. and caused by a motor vehicle accident. We will only pay such *medical expenses*:
- a. if any of the *medical services* are provided within one year immediately following the date of the accident; and
- b. for *medical services* provided within three years immediately following the date of the accident; and
- 2. funeral expenses incurred for an *insured* who dies within three years immediately following the date of a motor vehicle accident if the death is a direct result of *bodily injury* sustained in such accident.

Determining Medical Expenses

We have the right to:

1. obtain and use:
 - a. utilization reviews;
 - b. peer reviews; and
 - c. medical bill reviews
2. to determine if the incurred charges are to determine if the incurred charges are:
 - a. *medical expenses*;
 - b. use a medical examination to determine if;
3. a. the *bodily injury* was caused by a motor vehicle accident; and
 - b. the expenses incurred are *medical expenses*; and
4. A written decision that contains an explanation of how the decision was arrived at will be binding on:

The arbitrator within 30 days, then either the *Insured* or we may petition a court that has jurisdiction to select the arbitrator.

Each party will pay the cost of its own attorney and expert witnesses, as well as any other expenses incurred by that party. Both parties will share equally the cost of the arbitrator.

Nonduplication

We will not pay any *medical expenses* or funeral expenses under Medical Payments Coverage that have already been paid.

1. as damages under Liability Coverage or Underinsured Motor Vehicle Coverage of any policy issued by the State Farm Companies to you or any resident relative, or liable for the *Insured's* *bodily injury*.

Exclusions

THERE IS NO COVERAGE FOR AN INSURED:

1. WHO IS STRUCK AS A PEDESTRIAN BY A MOTOR VEHICLE OWNED BY THAT INSURED OR YOU IF IT IS NOT YOUR CAR OR A NEWLY ACQUIRED CAR;
2. IF ANY WORKERS' COMPENSATION LAW OR ANY SIMILAR LAW APPLIES TO THAT INSURED'S BODILY INJURY;
3. WHO IS OCCUPYING A VEHICLE WHILE IT IS RENTED TO OR LEASED TO OTHERS BY AN INSURED;
4. WHO IS OCCUPYING A VEHICLE WHILE IT IS BEING USED TO CARRY PERSONS FOR A CHARGE. This exclusion does not apply to:
 - a. the use of a private passenger car on a share-the-expense basis; or
 - b. an *insured* while occupying a non-owned car as a passenger.
5. WHILE MAINTAINING OR USING A VEHICLE IN CONNECTION WITH THAT INSURED'S EMPLOYMENT IN OR ENGAGEMENT OF ANY KIND IN A CAR BUSINESS. This exclusion does not apply to:
 - a. *you*, or
 - b. any resident relative

Subject to the limit shown on the Declarations Page, the most we will pay for funeral expenses incurred for any one insured is \$3,000.

Limit

The Medical Payments Coverage limit is shown on the Declarations Page under "Medical Payments Coverage - Limit - Each Person". This limit is the most we will pay for the *medical expenses* and funeral expenses combined, incurred by or on behalf of any one insured as a result of any one accident, regardless of the number of:

1. *insureds*;
2. claims made;
3. vehicles insured; or
4. vehicles involved in the accident.

Lessor means *you* or another person or entity who leases your car to you or your employer for your regular use.

Page, the most we will pay for funeral expenses incurred for any one insured is \$3,000.

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6. WHILE THAT INSURED IS VALET PARKING A VEHICLE.
7. WHILE MAINTAINING OR USING A NON-OWNED LAKIN ANY BUSINESS OR OCCUPATION OTHER THAN A CAR BUSINESS OR VALET PARKING. This exclusion does not apply to the maintenance of use of a *private passenger car*.
8. WHO IS EITHER OCCUPYING OR STRUCK AS A PEDESTRIAN BY A VEHICLE THAT IS LOCATED FOR USE AS A DWELLING OR OTHER PREMISES.
9. WHO IS STRUCK AS A PEDESTRIAN BY A VEHICLE THAT:
- IS DESIGNED FOR USE PRIMARILY OFF PUBLIC ROADS WHILE TREADS;
 - RUNS ON RAILS OR CRAWLER TRAILS;
 - WHOSE BODY INJURY RESULTS FROM WAR OF ANY KIND;
 - NUCLEAR REACTION;
 - RADIATION-OR RADIOACTIVE CONTAMINATION FROM ANY SOURCE; OR
 - WHOSE BODY INJURY RESULTS FROM THE DISCHARGE OF A FIRE-ARM;
 - WHOSE BODY INJURY RESULTS FROM EXPOSURE TO FUNGUS; OR
 - WHO IS OCCUPYING A VEHICLE WHILE IT IS:
- BEN PREPARED FOR, USED IN PRACTICE FOR, OR OPERATED IN ANY RACING, CONTEST, SPEED CONTEST, HILL-CLIMBING

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- CONTEST, JUMPING, CONTEST, OR ANY SIMILAR CONTEST; OR
- b. ON A TRACK DESIGNED PRIMARILY FOR RACING OR HIGH SPEED DRIVING.
- If Other Medical Payments Coverage or Similar Vehicle Insurance Applies
1. An insured shall not recover for the same medical expenses or funeral expenses under both his coverage and other medical payments coverage or similar vehicle insurance.
2. If Medical Payments Coverage provided by this policy and one or more other vehicle policies issued to you or any resident relative by one or more of the State Farm Companies apply to the same bodily injury, then:
- the Medical Payments Coverage limits of such policies shall not be added together to determine the most that may be paid; and
 - the maximum amount that may be paid from all such policies combined is the single highest applicable limit provided by any one of the policies. We may choose one or more policies from which to make payment.
3. The Medical Payments Coverage provided by this policy applies as primary coverage for an insured who sustains *bodily injury* while occupying your car or a trailer attached to it.
- a. If:
- this is the only vehicle policy issued to you or any resident relative by the State Farm Companies that provides Medical Payments Coverage or other similar vehicle insurance which applies to the accident as primary coverage; and
 - medical payments coverage or other similar vehicle insurance provided by one or more sources other than the State Farm Companies also applies as primary coverage for the same accident,

4. Except as provided in item 3. above, the Medical Payments Coverage provided by this policy applies as excess coverage.
- a. If:
- this is the only vehicle policy issued to you or any resident relative by the State Farm Companies that provides Medical Payments Coverage or other similar vehicle insurance which applies to the accident as excess coverage; and
 - medical payments coverage or other similar vehicle insurance which applies to the accident as excess coverage; and
 - medical payments coverage or other similar vehicle insurance provided by one or more sources other than the State Farm Companies also applies as excess coverage.

- Our Payment Options
- We may, at our option, make payment to one or more of the following:
- The insured;
 - The insured's surviving spouse;
 - A parent or guardian of the insured, if the insured is a minor or an incompetent person;
 - A person authorized by law to receive such payment; or
 - Any person or organization that provides the medical services or funeral services.

Lessor means the person to whom your car is leased for your regular use.

Tee means the person who leases your car to you or

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held legally liable for that *bodily injury*? OR

**I. FOR AN INSURED WHO SUSTAINS
BODILY INJURY WHILE OCCUPYING:
A MOTOR VEHICLE OWNED BY
OR AVAILABLE FOR THE REGU-**

LAR USE OF YOU OR ANY RESIDENT RELATIVE IF IT IS NOT YOUR CAR OR A NEWLY ACQUIRED CAR.

insurance policies that apply to the *insured's bodily injury*, or (2) the limits of this coverage.

Compensatory damages resulting from bodily injury to two or more insureds injured in the same accident.

2. These Underinsured Motor Vehicle Bodily Injury Coverage limits are the most we will pay regardless of the number of

- a. *Insurees;*
- b. *Claims made;*
- c. *Vehicles insured; or*

d. vehicles involved in the accident.

We will not pay under Underinsured Motor Vehicle Bodily Injury Coverage any damages:

1. that have already been paid to or for the
lessee.

Organization who is or may be held legally liable for the *body injury* to the insured, or

b. for bodily injury under Liability Coverage of any policy issued by the State Farm Companies to you or any responsible person.

2. that have already been paid as *debt relative*; or

a. benefits under Personal Injury Protection Coverage of this policy; or
b. expenses under Medical Payments

Coverage of this policy

THERE IS NO COVERAGE.

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<p>IF FOR PUNITIVE OR EXEMPLARY DAMAGES OR</p> <p>FOR ANY ORDER OF RESTITUTION ISSUED BY A COURT IN A CRIMINAL PROCEEDING OR EQUITABLE ACTION.</p> <p>If Other Underinsured Motor Vehicle Bodily Injury Coverage Applies.</p> <p>1. If Undersubscribed Motor Vehicle Bodily Injury Coverage provided by this policy and one or more other vehicle policies issued to you or any resident relative by one or more of the State Farm Companies apply to the same bodily injury, then:</p> <p>a. the Undersubscribed Motor Vehicle Bodily Injury Coverage limits of such policies will not be added together to determine the most often may be paid and the maximum amount that may be paid from all such policies combined is the single highest applicable limit provided by any one of the Policies. We may choose one or more policies from which to make payment.</p> <p>b. The Undersubscribed Motor Vehicle Bodily Injury Coverage provided by this policy applies as primary coverage for the same accident, to the extent payable, as primary, shall, after application of the limit bears to the sum of such amount and the limits of all other undersubscribed motor vehicle coverage that apply as primary coverage;</p> <p>c. If:</p> <p>(1) this is the only vehicle policy issued to you or any resident relative by the State Farm Companies that provides Undersubscribed Motor Vehicle Bodily Injury Coverage which applies to the accident as excess coverage;</p> <p>(2) undersubscribed motor vehicle coverage for the same accident, coverage for the same accident, to the extent payable, as primary, shall, after application of the limit bears to the sum of all applicable limit and the limits of all other undersubscribed motor vehicle coverage that apply as primary coverage;</p> <p>(3) Except as provided in item 2. above, the Undersubscribed Motor Vehicle Bodily Injury Coverage provided by this policy applies as excess coverage;</p>	<p>IF FOR PUNITIVE OR EXEMPLARY DAMAGES OR</p> <p>FOR ANY ORDER OF RESTITUTION ISSUED BY A COURT IN A CRIMINAL PROCEEDING OR EQUITABLE ACTION.</p> <p>If Other Underinsured Motor Vehicle Bodily Injury Coverage Applies.</p> <p>1. If Undersubscribed Motor Vehicle Bodily Injury Coverage provided by this policy and one or more other vehicle policies issued to you or any resident relative by one or more of the State Farm Companies apply to the same bodily injury, then:</p> <p>a. the Undersubscribed Motor Vehicle Bodily Injury Coverage limits of such policies will not be added together to determine the most often may be paid and the maximum amount that may be paid from all such policies combined is the single highest applicable limit provided by any one of the Policies. We may choose one or more policies from which to make payment.</p> <p>b. The Undersubscribed Motor Vehicle Bodily Injury Coverage provided by this policy applies as primary coverage for the same accident, to the extent payable, as primary, shall, after application of the limit bears to the sum of such amount and the limits of all other undersubscribed motor vehicle coverage that apply as primary coverage;</p> <p>c. If:</p> <p>(1) this is the only vehicle policy issued to you or any resident relative by the State Farm Companies that provides Undersubscribed Motor Vehicle Bodily Injury Coverage which applies to the accident as excess coverage;</p> <p>(2) undersubscribed motor vehicle coverage for the same accident, coverage for the same accident, to the extent payable, as primary, shall, after application of the limit bears to the sum of all applicable limit and the limits of all other undersubscribed motor vehicle coverage that apply as primary coverage;</p> <p>(3) Except as provided in item 2. above, the Undersubscribed Motor Vehicle Bodily Injury Coverage provided by this policy applies as excess coverage;</p>
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tion who leases your car to you or

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(2) underinsured motor vehicle coverage provided by one or more sources other than the State Farm Companies also applies as excess coverage for the same accident, then we will pay the proportion of damages payable as excess that over applicable limit bears to the sum of all applicable limits and the limits of all other underinsured motor vehicle coverage that apply as excess coverage.

b. If:

- (1) more than one vehicle policy is issued to you or any resident relative by the State Farm Companies provides Underinsured Motor Vehicle Bodily Injury Coverage which applies to the accident as undesignated motor vehicle coverage;
- (2) underinsured motor vehicle coverage provided by one or more sources other than the State Farm

Companies also applies as excess coverage for the same accident, then the State Farm Companies will pay the proportion of damages payable as excess that the maximum amount that may be paid by the State Farm Companies as determined in item 1, above, bears to the sum of such amount and the limits of all other underinsured motor vehicle coverage that apply as excess coverage.

Our Payment Options
We may, at our option, make payment to one or more of the following:

1. The Insured;
2. The Insured's surviving spouse;
3. A parent or guardian of the Insured, if the Insured is a minor or an incompetent person; or
4. A person authorized by law to receive such payment.

Underinsured Motor Vehicle Property Damage Coverage
Property Damage means physical damage to or destruction of:

1. your car or a newly acquired car; or
2. property owned by an insured while that property is in the passenger compartment of your car or a newly acquired car;
3. any other person while occupying:

 - a. your car; or
 - b. a newly acquired car.

Such vehicle must be used within the scope of your consent. Such other person occupying a vehicle used to carry persons for a charge is not an insured, and any person entitled to recover compensation damages as a result of property damage of an insured as defined in items 1., 2., or 3. above.

Insured means:

1. you;
2. resident relatives;
3. any other person while occupying:

 - a. your car; or
 - b. a newly acquired car.

Underinsured Motor Vehicle means a land motor vehicle:

1. the ownership, maintenance, and use of which is:

 - a. not insured or bonded for property damage liability at the time of the accident; and
 - (1) the insuring company;
 - (2) denies its policy provides liability coverage for compensation damages that result from the accident; or

(b) is or becomes insolvent; or (2) the limits are less than the damages which the insured is legally entitled to recover; or
2. the owner or driver of which remains uninsured and which causes property damage. If there is no physical contact between that land motor vehicle and your car or a newly acquired car, then the facts of the accident must be corroborated by competent evidence other than testimony of the insured or any other person who has a claim under this policy coverage or under Underinsured Motor Vehicle Bodily Injury Coverage.

Underinsured Motor Vehicle does not include

1. insured under Liability Coverage of this policy;
2. furnished for the regular use of you or any of its political subdivisions or agencies owned by or rented to any government or any of its political subdivisions or agencies to the extent it is obligated to pay for the property damage, unless such governmental entity is unable to satisfy a claim because of financial inability or insolvency; or
3. while located for use as a dwelling or other premises.

Insuring Agreement
We will pay compensatory damages for property damage an insured is legally entitled to recover from the owner or driver of an underinsured motor vehicle. The property damage must be caused by an accident that involves the operation, maintenance, or use of an uninsured motor vehicle as a motor vehicle.

Notice of Tentative Settlement

The insured shall:

(1) notify us of any tentative settlement with the owner or driver of an uninsured motor vehicle, and

(2) give us a reasonable period of time to make a substitute payment to the insured in an amount that equals that last

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- (b) any other person or organization, including the owner or driver of the uninsured or major vehicle who may still be legally liable to the insured for the insured's damages;
- (2) consent to a jury trial if requested by us;
 - (3) agree that we may contest the issues of liability and the amount of damages; and
 - (4) secure a judgment in that action. The judgment must be the final result of an actual trial and an appeal, if any, appeal is taken.
2. We are not bound by any default judgment against any person or organization other than us.
3. Regardless of the amount of any award, including any judgment or default judgment, we are not obligated to pay any amount in excess of the available limits under this coverage of this policy.
- Limit**
1. The Undersigned Motor Vehicle Property Damage Coverage Limit is shown on the Declarations Page under "Undersigned Motor Vehicle Property Damage Coverage Limit - Each Accident". The limit shown is the sum we will pay for all damages, for property damage resulting from any one accident.
 - Subject to the above, the most we will pay any one insured is the lesser of:
 - a. that insured's compensatory damages for property damage reduced by the lesser of:
 - (1) the sum of all payments for compensatory damages made by or on behalf of any person or organization who is or may be held legally liable for that insured's property damage; or
 - (2) the sum of all limits of all property damage liability bonds and insurance

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(b) any other person or organization, including the owner or driver of the uninsured or major vehicle who may still be legally liable to the insured for the insured's damages;

b. the limits of this coverage.

2. This Undersigned Motor Vehicle Property Damage Coverage limit is the most we will pay regardless of the number of:

- a. interests;
- b. claims made;
- c. vehicles insured; or
- d. vehicles involved in the accident.

3. Any amount payable under Undersigned Motor Vehicle Property Damage Coverage will be reduced by any amount collected by the insured from other physical damage insurance or property insurance.

Exclusions

THERE IS NO COVERAGE.

1. TO THE EXTENT THE INSURED HAS COLLECTED OR MAY COLLECT FROM ANY OF THE PHYSICAL DAMAGE COVERAGES OF THIS POLICY OR FROM ANY PROPERTY INSURANCE OF ANOTHER POLICY.
2. TO THE EXTENT IT BENEFITS ANY GOVERNMENT OR ANY OF ITS POLITICAL SUBDIVISIONS OR AGENCIES.
3. FOR THE FIRST THREE HUNDRED DOLLARS OF PROPERTY DAMAGE IF THE DAMAGES ARE CAUSED BY AN UNINSURED MOTOR VEHICLE THAT DID NOT STRIKE THE INSURED OR THE VEHICLE THE UNINSURED WAS OCCUPYING OR

Additional Definitions

Covered Vehicle means:
 1. your car;
 2. a newly acquired car;
 3. a temporary substitute car;
 4. a camper that is designed to be towed on a pickup truck and shown on the Declarations page;

Loss means:
 1. direct, sudden, and accidental damage to, or
 2. total or partial loss of.
Loss Caused By Collision means a loss caused by:
 1. a covered vehicle hitting or being hit by another vehicle or other object; or
 2. the overturning of a covered vehicle.

PROCEEDINGS OR EQUITABLE ACTION

If Other Undersigned Motor Vehicle Property Damage Coverage Applies:

1. If Not Required.

2. The insured's surviving spouse, if this policy and one or more sources also provide uninsured motor vehicle property damage coverage, then we will pay the proportionate of damages payable that our applicable limit bears to the sum of our applicable limit and the limits of all other uninsured motor vehicle property damage coverage that apply.

3. A parent or guardian of the insured, if the insured is a minor or an incompetent person; or

4. A person authorized by law to receive such payment.

PHYSICAL DAMAGE COVERAGES

The physical damage coverages are Comprehensive Coverage, Collision Coverage, Bodily Injury and Personal Injury Protection Coverage, and Car Rental and Travel Expenses Coverage.

This policy provides:

1. Comprehensive Coverage if "D";
2. Collision Coverage if "G";
3. Emergency Road Service Coverage if "H";
4. Car Rental and Travel Expenses Coverage if "R1".

is shown under "Symbols" on the Declarations Page. If a deductible applies to Comprehensive Coverage, then it is shown on the Declarations Page. The deductible that applies to Collision Coverage is shown on the Declarations Page.

Additional Definitions

Insured means you and resident relatives.

Loss

Our Payment Options

We may, at our option, make payment to one or more of the following:

1. If Not Required.

2. The insured's surviving spouse, if this policy and one or more sources also provide uninsured motor vehicle property damage coverage, then we will pay the proportionate of damages payable that our applicable limit bears to the sum of our applicable limit and the limits of all other uninsured motor vehicle property damage coverage that apply.

3. A parent or guardian of the insured, if the insured is a minor or an incompetent person; or

4. A person authorized by law to receive such payment.

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2. store the *covered vehicle*, if it is not drivable immediately after the loss, at:

a. any one repair facility or commercial storage facility, neither of which was chosen by an *insured* or the owner of the *covered vehicle*; and

- b. any one repair facility chosen by the owner of the *covered vehicle*, and we determine such vehicle is a total loss.

If the owner of the *covered vehicle* consents, then we may move the *covered vehicle* at our expense to reduce storage costs. If the owner of the *covered vehicle* does not consent, then we will pay only the storage costs that would result if we had moved the damaged *covered vehicle*, and

3. clean up debris from the *covered vehicle* at the location of the loss. The most we will pay to clean up the debris is \$250 for any one loss.

Limits and Loss Settlement – Comprehensive Coverage and Collision Coverage

*We have the right-to choose to settle with you or the owner of the *covered vehicle* in one of the following ways:*

- a. Pay the cost to repair the *covered vehicle* minus any applicable deductible.

- (1) *We have the right to choose one of the following to determine the cost*

- (a) The cost agreed to by both the owner of the *covered vehicle* and us;

- (b) A bid or repair estimate approved by us; or

- (c) A repair estimate that is written based upon or adjusted to:

price;

- (ii) the lower of painless dent repair pricing established by an agreement we have with a third party or the

painless dent repair price that is competitive in the market; or

- (iii) a combination of items (i) and (ii) above.

The prevailing competitive price means prices charged by a majority of the repair market in the area where the *covered vehicle* is to be repaired as determined by a survey made by us. If asked, we will identify some facilities that will perform the repairs at the prevailing competitive price. The estimate will include parts sufficient to restore the *covered vehicle* to its pre-loss condition.

You agree with us that the repair estimate may include new, used, recycled, and reconditioned parts. Any of these parts may be either original equipment manufacturer parts or non-original equipment manufacturer parts.

You also agree that replacement glass need not have any "resinoma, logo, trademarks, etching, or other marking that was on the replaced glass."

(2) The cost to repair the *covered vehicle* does not include any reduction in the value of the *covered vehicle* after it has been repaired, as compared to its value before it was damaged.

(3) If the repair or replacement of parts normally subject to repair and replacement during the useful life of the *covered vehicle* results in the vehicle being better than its pre-loss condition, then you must pay for the amount of the betterment.

(d) The appraisers shall only determine the actual cash value of the *covered vehicle*. Appraisers shall have no authority to decide any other questions of fact, decide any questions of law, or conduct an appraisal on a class-wide or class-representative basis.

- (e) A written appraisal that is both agreed upon by and signed by

part to be repaired or replaced bears to the normal useful life of that part; or

- b. the amount which the resale value of the *covered vehicle* is increased by the repair or replacement.

- (4) If you and we agree, windshield glass will be repaired instead of replaced.

- (5) The owner of the *covered vehicle* and we must agree upon the actual cash value of the *covered vehicle*. If there is disagreement as to the actual cash value of the *covered vehicle*, then the disagreement will be resolved by appraisals upon written request of the owner or us, using the following procedures:

- (a) The owner and we will each select a competent appraiser.

- (b) The two appraisers will select a third competent appraiser. If they are unable to agree on one, then either the owner or we may petition a court that has jurisdiction to select the third appraiser.

- (c) Each party will pay the cost of its own appraiser, attorneys, and expert witnesses, as well as any other expenses incurred by that party. Both parties will share equally the cost of the third appraiser.

- (d) The appraisers shall only determine the actual cash value of the *covered vehicle*. Appraisers shall have no authority to decide any other questions of fact, decide any questions of law, or conduct an appraisal on a class-wide or class-representative basis.

2.

- The most we will pay for any:

- a. damage to any vehicle due to and

b. testing or remediation of

fungi that is proximately caused by a loss

of coverage or Collision Coverage is \$500.

- 3.

- The most we will pay for transportation

expenses under Comprehensive Coverage

is \$75 per day subject to an aggregate limit of \$750 per loss.

- 4.

- The most we will pay for loss to a non-owned

owner or a non-owned customer is \$2,500.

1.

Limits – Car Rental and Travel Expenses Coverage

The limit for Car Rental Expense is shown on the Declarations Page under "Limit – Car Rental Expense – Each Day/Each Loss".

- A.

The limit shown under "Each Day" is

the most we will pay for the daily

rental charge. If

any two appraisers, and that also

contains an explanation of how

they arrived at their appraisal,

will be binding on the owner of

the *covered vehicle* and us.

of the termination to the lessor

Lesser leases your car to you or

3.

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- (1) a dollar amount is shown, then we will pay the *daily rental charge* up to that dollar amount;
- (2) a percentage amount is shown, then we will pay that percentage of the *daily rental charge*.
- b. Subject to the "Each Day" limit, the limit shown under "Each Loss" is the most we will pay for Car Rental Expense incurred as a result of any one loss.
- 2. Travel Expenses:**
- The most we will pay for Travel Expenses incurred by all insureds as a result of any one loss is \$500.
- 3. Rental Car - Repayment of Deductible Expense:**
- The most we will pay for Rental Car - Repayment of Deductible Expense for which the insured or owner of the covered vehicle has already received payment from, or on behalf of, a party who is legally liable for the loss or expense.
- Exclusions:**
- THERE IS NO COVERAGE FOR:
1. ANY COVERED VEHICLE THAT IS:
 - a. INTENTIONALLY DAMAGED; OR
 - b. STOLEN 2. ANY COVERED VEHICLE WHILE IT IS RENTED TO OR LEASED TO OTHERS BY AN INSURED;
 3. ANY COVERED VEHICLE WHILE IT IS USED TO CARRY PERSONS FOR A CHARGE. This exclusion does not apply to the use of a *private passenger car* on a share-the-expense basis;
 4. ANY COVERED VEHICLE DUE TO:
 - a. THEFT;
- b. CONVERSION;
- c. EMBEZZLEMENT; OR
- d. SECRESSION
- BY AN INSURED, A CONSIGNEE, AN AGENT OF A CONSIGNEE, OR A PERSON WHO OBTAINS POSSESSION OF THE COVERED VEHICLE WITH THE PERMISSION OF A CONSIGNEE OR AGENT OF A CONSIGNEE.
- 5. LOSS TO YOUR CAR OR A NEWLY ACQUIRED CAR IF AN INSURED VOLUNTARILY RELINQUISHES POSSESSION OF THAT CAR TO A PERSON OR ORGANIZATION UNDER AN ACTUAL OR PRESUMED SALES AGREEMENT.**
6. ANY COVERED VEHICLE TO THE EXTENT OUR PAYMENT WOULD BENEFIT ANY CARRIER OR OTHER BAILEE FOR CARE THAT IS LIABLE FOR LOSS TO SUCH COVERED VEHICLE.
- 7. LOSS TO ANY COVERED VEHICLE DUE TO FUNGI.** We will also not pay for any testing or remediation of fungi, or any additional costs required to repair any covered vehicle that are due to the existence of fungi. This exclusion does not apply if the *fungi* is proximately caused by a loss that is payable under:
- a. Comprehensive Coverage and "D" is shown under "Symbols" on the Declarations Page; or
 - b. Collision Coverage and "G" is shown under "Symbols" on the Declarations Page;
12. ANY NON-OWNED CAR WHILE IT IS:
- a. BEING MAINTAINED OR USED BY ANY PERSON WHILE THAT PERSON IS EMPLOYED IN OR ENGAGED IN ANY WAY IN A CAR BUSINESS; OR
 - b. USED IN ANY BUSINESS OR OCCUPATION OTHER THAN A CAR BUSINESS. This exclusion (12.b) does not apply to a *private passenger car*, or equipment.
13. ANY PART OR EQUIPMENT OF A COVERED VEHICLE IF THAT PART FAILS OR IS DEFECTIVE; OR
- b. IS DAMAGED AS A DIRECT RESULT OF:
- (1) WEAR AND TEAR;
 - (2) FREEZING; OR
 - (3) MECHANICAL, ELECTRICAL, OR ELECTRONIC BREAKDOWN OR MALFUNCTION OF THAT PART OR EQUIPMENT.
16. REMOVABLE PRODUCTS USED FOR STORAGE OF AUDIO, VIDEO, OR OTHER DATA, INCLUDING BUT NOT LIMITED TO TAPES, DISCS, AND MEMORY CARDS. NOR IS THERE COVERAGE FOR THE RECONSTRUCTION OF DATA CONTAINED THEREIN.
17. ANY EQUIPMENT USED TO DETECT OR INTERFERE WITH SPEED MEASURING DEVICES;

This exclusion does not apply if the loss is the result of theft of the *covered vehicle*.

14. ANY PART OR EQUIPMENT:

a. THAT IS NOT LEGAL FOR USE IN OR ON THE *covered vehicle* IN THE STATE WHERE THE *covered vehicle* IS REGISTERED; OR

b. THE USE OF WHICH IS NOT LEGAL IN THE STATE WHERE THE *covered vehicle* IS INSTALLED IN OR ON THE *covered vehicle*.

However, if there is a legal version of the part or equipment that is necessary for the safe operation of the *covered vehicle*, then we will pay the cost that we would otherwise have paid to repair the vehicle with the legal version of the part or equipment. We will not pay any cost necessary to modify the vehicle for installation of the legal version of the part or equipment.

15. TIRES. This exclusion does not apply if:

a. loss is caused by missiles, falling objects, windstorms, hail, fire, explosion, earthquake, water, flood, total or partial theft, malicious mischief, vandalism, riot, civil commotion, or hitting or being hit by a bird or an animal; or

b. loss caused by collision to another part of the *covered vehicle* causes loss to tires.

- 18. A CARRIER, INCLUDING ITS PARTS AND ITS EQUIPMENT, THAT IS:**

 - DESIGNED TO BE MOUNTED ON A PICKUP TRUCK;
 - OWNED BY AN INSURED; AND
 - NOT SHOWN ON THE DECLARATIONS PAGE; OR

19. ANY COVERED VEHICLE WHILE IT IS:

 - BEING PREPARED FOR, USED IN, PRACTICE FOR, OR OPERATED IN ANY RACING CONTEST, SPEED CONTEST, HILL-CLIMBING CONTEST, JUMPING CONTEST, OR ANY SIMILAR CONTEST; OR
 - ON A TRACK DESIGNED PRIMARILY FOR RACING OR HIGH SPEED DRIVING.

If Other Physical Damage Coverage or Similar Coverage Applies

 - If the same loss or expense is payable under more than one of the physical damage coverages provided by this policy, then only the one coverage that pays the most for that loss or expense applies.
 - If any of the physical damage coverage(s) provided by this policy and one, or more, other policies issued to an insured by one or more of the *State Farm Companies* apply to the same loss or expense, then only one policy applies. We will select a policy that pays the most for the loss or expense.
 - The physical damage coverages provided by this policy apply as primary coverage for a loss to your car.

If similar coverage provided by one or more sources other than the *State Farm Companies* also applies as primary coverage for the same loss or expense, then the *State Farm Companies* will pay the proportion of the loss or expense payable as primary that the maximum amount that may be paid by the *State Farm Companies* bears to the sum of such amount and the limits of all other similar coverage that applies as primary coverage.

4. Except as provided in Item 3, above, the physical damage coverages provided by this policy apply as excess coverage.

If more sources other than the State Farm Companies also applies as excess coverage for the same loss or expense, then the State Farm Companies will pay the proportion of the loss or expense payable as excess that is the maximum amount that may be paid by the State Farm Companies bears to the sum of such amount and the limits of all other similar coverage that applies as excess coverage.

Financed Vehicle

1. If a creditor is shown on the Declarations Page, then any Comprehensive Coverage or Collision Coverage provided by this policy applies to that creditor's interest in your car. Coverage for the creditor's interest will not be provided for the conversion, embezzlement, or secretion of your car by you or any of your agents, employees, or representatives.

If this policy is cancelled or nonrenewed, then we will provide the coverage described above for the creditor's interest until we notify the creditor of the termination of such coverage. The date such termination is effective will be at least 10 days after the date we mail or electronically transmit a notice of the termination to the creditor. (The mailing or electronic transmittal of the notice will be sufficient proof of notice.)

2. If we pay such creditor, then we are entitled to the creditor's right of recovery against you to the extent of our payment. Our right of recovery does not impair the creditor's right to recover the full amount of its claim.

Our Payment Options

1. **Comprehensive Coverage and Collision Coverage**

a. We may, at our option, make payment to one or more of the following for loss to a covered vehicle owned by you:

DEATH, DISMEMBERMENT AND LOSS OF SYSTEMIC COVERAGE

sight must occur within 90 days after the date of the accident.

Benefit	
If the amount shown on the Declaration Page for the insured is \$5,000, we will pay the applicable benefit shown below for death, or for the described dismemberment or permanent loss of sight.	
Death:	\$5,000
Loss of both hands; both feet; all sight of both eyes; one hand & one foot; or one hand or one foot & all sight of one eye	\$5,000
Loss of one hand or one foot; or all sight of one eye	\$2,500
Loss of the thumb & a finger; one hand; or any three fingers	\$1,500
Loss of two fingers.	\$1,000
The hand must be cut off through or above the wrist. The foot must be cut off through or above the ankle. The whole thumb or finger must be cut off.	

Lessor means the person or
tion who leases your car to you or

of the termination to the lesser

- 18. A CARRIER, INCLUDING ITS PARTS AND ITS EQUIPMENT, THAT IS:**

 - DESIGNED TO BE MOUNTED ON A PICKUP TRUCK;
 - OWNED BY AN INSURED; AND
 - NOT SHOWN ON THE DECLARATIONS PAGE; OR

19. ANY COVERED VEHICLE WHILE IT IS:

 - BEING PREPARED FOR, USED IN, PRACTICE FOR, OR OPERATED IN ANY RACING CONTEST, SPEED CONTEST, HILL-CLIMBING CONTEST, JUMPING CONTEST, OR ANY SIMILAR CONTEST; OR
 - ON A TRACK DESIGNED PRIMARILY FOR RACING OR HIGH SPEED DRIVING.

If Other Physical Damage Coverage or Similar Coverage Applies

 - If the same loss or expense is payable under more than one of the physical damage coverages provided by this policy, then only the one coverage that pays the most for that loss or expense applies.
 - If any of the physical damage coverage(s) provided by this policy and one, or more, other policies issued to an insured by one or more of the *State Farm Companies* apply to the same loss or expense, then only one policy applies. We will select a policy that pays the most for the loss or expense.
 - The physical damage coverages provided by this policy apply as primary coverage for a loss to your car.

If similar coverage provided by one or more sources other than the *State Farm Companies* also applies as primary coverage for the same loss or expense, then the *State Farm Companies* will pay the proportion of the loss or expense payable as primary that the maximum amount that may be paid by the *State Farm Companies* bears to the sum of such amount and the limits of all other similar coverage that applies as primary coverage.

4. Except as provided in Item 3, above, the physical damage coverages provided by this policy apply as excess coverage.

If more sources other than the State Farm Companies also applies as excess coverage for the same loss or expense, then the State Farm Companies will pay the proportion of the loss or expense payable as excess that is the maximum amount that may be paid by the State Farm Companies bears to the sum of such amount and the limits of all other similar coverage that applies as excess coverage.

Financed Vehicle

1. If a creditor is shown on the Declarations Page, then any Comprehensive Coverage or Collision Coverage provided by this policy applies to that creditor's interest in your car. Coverage for the creditor's interest will not be provided for the conversion, embezzlement, or secretion of your car by you or any of your agents, employees, or representatives.

If this policy is cancelled or nonrenewed, then we will provide the coverage described above for the creditor's interest until we notify the creditor of the termination of such coverage. The date such termination is effective will be at least 10 days after the date we mail or electronically transmit a notice of the termination to the creditor. (The mailing or electronic transmittal of the notice will be sufficient proof of notice.)

2. If we pay such creditor, then we are entitled to the creditor's right of recovery against you to the extent of our payment. Our right of recovery does not impair the creditor's right to recover the full amount of its claim.

Our Payment Options

1. **Comprehensive Coverage and Collision Coverage**

a. We may, at our option, make payment to one or more of the following for loss to a covered vehicle owned by you:

DEATH, DISMEMBERMENT AND LOSS OF SYSTEMIC COVERAGE

sight must occur within 90 days after the date of the accident.

Benefit	
If the amount shown on the Declaration Page for the insured is \$5,000, we will pay the applicable benefit shown below for death, or for the described dismemberment or permanent loss of sight.	
Death:	\$5,000
Loss of both hands; both feet; all sight of both eyes; one hand & one foot; or one hand or one foot & all sight of one eye	\$5,000
Loss of one hand or one foot; or all sight of one eye	\$2,500
Loss of the thumb & a finger; one hand; or any three fingers	\$1,500
Loss of two fingers.	\$1,000
The hand must be cut off through or above the wrist. The foot must be cut off through or above the ankle. The whole thumb or finger must be cut off.	

18. A CARRIER, INCLUDING ITS PARTS AND ITS EQUIPMENT, THAT IS:

- a. DESIGNED TO BE MOUNTED ON A TRUCK, TRAILER, OR
- b. OWNED BY AN INSURED; AND
- c. NOT SHOWN ON THE DECLARATIONS PAGE; OR

19. ANY COVERED VEHICLE WHILE IT IS:

- a. BEING PREPARED FOR, USED IN, PRACTICE FOR, OR OPERATED IN ANY RACING CONTEST, SPEED CONTEST, HILL-CLIMBING CONTEST, JUMPING CONTEST, OR ANY SIMILAR CONTEST; OR
- b. ON A TRACK DESIGNED PRIMARILY FOR RACING OR HIGH SPEED DRIVING.

If Other Physical Damage Coverage or Similar Coverage Applies

1. If the same loss or expense is payable under more than one of the physical damage coverages provided by this policy, then only the one coverage that pays the most for that loss or expense applies.
2. If any of the physical damage coverage(s) provided by this policy and one, or more, other policies issued to an insured by one or more of the *State Farm Companies* apply to the same loss or expense, then only one policy applies. We will select a policy that pays the most for the loss or expense.
3. The physical damage coverages provided by this policy apply as primary coverage for a loss to your car.

If similar coverage provided by one or more sources other than the *State Farm Companies* also applies as primary coverage for the same loss or expense, then the *State Farm Companies* will pay the proportion of the loss or expense payable as primary that the maximum amount that may be paid by the *State Farm Companies* bears to the sum of such amount and the limits of all other similar coverage that applies as primary coverage.

4. Except as provided in Item 3, above, the physical damage coverages provided by this policy apply as excess coverage.

If more sources other than the State Farm Companies also applies as excess coverage for the same loss or expense, then the State Farm Companies will pay the proportion of the loss or expense payable as excess that is the maximum amount that may be paid by the State Farm Companies bears to the sum of such amount and the limits of all other similar coverage that applies as excess coverage.

Financed Vehicle

1. If a creditor is shown on the Declarations Page, then any Comprehensive Coverage or Collision Coverage provided by this policy applies to that creditor's interest in your car. Coverage for the creditor's interest will not be provided for the conversion, embezzlement, or secretion of your car by you or any of your agents, employees, or representatives.

If this policy is cancelled or nonrenewed, then we will provide the coverage described above for the creditor's interest until we notify the creditor of the termination of such coverage. The date such termination is effective will be at least 10 days after the date we mail or electronically transmit a notice of the termination to the creditor. (The mailing or electronic transmittal of the notice will be sufficient proof of notice.)

2. If we pay such creditor, then we are entitled to the creditor's right of recovery against you to the extent of our payment. Our right of recovery does not impair the creditor's right to recover the full amount of its claim.

Our Payment Options

1. **Comprehensive Coverage and Collision Coverage**

a. We may, at our option, make payment to one or more of the following for loss to a covered vehicle owned by you:

DEATH, DISMEMBERMENT AND LOSS OF SYSTEMIC COVERAGE

sight must occur within 90 days after the date of the accident.

Benefit	
If the amount shown on the Declaration Page for the insured is \$5,000, we will pay the applicable benefit shown below for death, or for the described dismemberment or permanent loss of sight.	
Death:	\$5,000
Loss of both hands; both feet; all sight of both eyes; one hand & one foot; or one hand or one foot & all sight of one eye	\$5,000
Loss of one hand or one foot; or all sight of one eye	\$2,500
Loss of the thumb & a finger; one hand; or any three fingers	\$1,500
Loss of two fingers.	\$1,000
The hand must be cut off through or above the wrist. The foot must be cut off through or above the ankle. The whole thumb or finger must be cut off.	

Death	\$10,000
Loss of both hands; both feet; all sight of both eyes; one hand & one foot; or one hand or one foot & all sight of one eye	\$10,000
Loss of one hand or one foot; or all sight of one eye	\$5,000
Loss of the thumb & a finger on one hand; or any three fingers	\$3,000
Loss of any two fingers	\$2,000

The benefits shown in the schedules are doubled for an insured who at the time of the accident was occupying a *private passenger car* and using a seat belt in the manner recommended by the vehicle's manufacturer.

Exclusions

1. WHILE IN THE COURSE AND SCOPE OF HIS OR HER EMPLOYMENT IN A CAR BUSINESS.
2. WHILE OCCUPYING, LOADING, OR UNLOADING:

 - a. AN EMERGENCY VEHICLE IN THE COURSE AND SCOPE OF HIS OR HER EMPLOYMENT;
 - b. A VEHICLE OTHER THAN AN EMERGENCY VEHICLE WHILE USED IN THE:

 - c. THE DISCHARGE OF A FIREARM;
 - d. EXPOSURE TO FUNGI;
 - e. SUICIDE, OR ATTEMPTED SUICIDE REGARDLESS OF WHETHER THE INSURED WAS SANE OR INSANE; OR

(1) INSURED'S BUSINESS; OR
(2) COURSE AND SCOPE OF HIS OR HER EMPLOYMENT IN OTHER THAN A CAR BUSINESS

If the amount shown on the *Pediatricious Page* for the *insured* is \$10,000, we will pay the applicable benefit shown below for death or for the described dismemberment or permanent loss of sight:

- c. (A MILITARY VEHICLE; OR
 - d. A VEHICLE WHILE IT IS:
- (1) BRING PREPARED FOR, USED IN PRACTICE FOR, OR OPERATED IN ANY RACING CONTEST, TEST, SPEED CONTEST, HILL-CLIMBING CONTEST, JUMPING CONTEST, OR ANY SIMILAR CONTEST; OR
 - (2) ON A TRACK DESIGNED PRIMARILY FOR RACING OR HIGH SPEED DRIVING;

3.

- WHILE OCCUPYING, LOADING, UNLOADING, OR WHO IS STRUCK AS A PEDESTRIAN BY:

 - a. A MOTOR VEHICLE THAT RUNS ON RAILS OR CRAWLER-TREADS;
 - b. A MOTOR VEHICLE THAT IS DESIGNED FOR USE PRIMARILY OFF PUBLIC ROADS WHILE OFF PUBLIC ROADS; OR
 - c. A MOTOR VEHICLE OR ANY TYPE OF TRAILER, EITHER OF WHICH IS LOCATED FOR USE AS A DWELLING OR OTHER PREMISES; OR

4.

- FOR DEATH, DISMEMBERMENT, OR LOSS OF SIGHT THAT RESULTS FROM:

- a. WAR OF ANY KIND;
- b. NUCLEAR REACTION, RADIATION OR RADIOACTIVE CONTAMINATION FROM ANY SOURCE, OR THE ACCIDENTAL, OR INTENTIONAL DETONATION OF, OR RELEASE OR RADIATION FROM, ANY NUCLEAR OR RADIOACTIVE DEVICE;
- c. THE DISCHARGE OF A FIREARM;
- d. EXPOSURE TO FUNGI;
- e. SUICIDE, OR ATTEMPTED SUICIDE REGARDLESS OF WHETHER THE INSURED WAS SANE OR INSANE; OR

This exclusion (2.b.) does not apply if the vehicle is a *private passenger car*.

DISEASE except: pus-forming infection due to bodily injury sustained in the accident.

Our Payment Options

We may, at our option, make payment to one or more of the following:

1. Notice to Us of an Accident or Loss

INSURED'S DUTIES

- (2) assume any obligation to others involved in the accident or loss;

The *insured* must give us or one of our agents notice of the accident or loss as soon as reasonably possible. The notice must give us:

- a. your name;
- b. the names and addresses of all persons involved in the accident or loss;
- c. the hour, date, place, and facts of the accident or loss; and
- d. the names and addresses of witnesses to the accident or loss.

Notice to Us of Claim or Suit

- (2) If a claim is made against an *insured*, then that *insured* must immediately send us every demand, notice, and claim received.

If a lawsuit is filed against an *insured*, then that *insured* must immediately send us every summons and legal process received.

Insured's Duty to Cooperate With Us

- (3) The *insured* must cooperate with us and, when asked, assist us in:

- (1) making settlements;
- (2) securing and giving evidence; and

(3) attending, and getting witnesses to attend, depositions, hearings, and trials.

- (4) The *insured* must not, except at his or her own cost, voluntarily:

- (1) make any payment to others; or

The *insured*; his surviving spouse; A parent or guardian of the *insured*, if the *insured* is a minor or an incompetent person; or

An *agent* or organization authorized by law to receive such payment.

Questioning Under Oath

Under:

- a. Liability Coverage, each *insured*; Medical Payments Coverage; Uninsured Motor Vehicle Coverages; or Death, Dismemberment and Loss of

Sight Coverage; each *insured*, or any other *person* or organization making claim or seeking payment; and

- c. Physical Damage Coverages, each *insured* or owner of a covered vehicle, or any other *person* or organization making claim or seeking payment;

must, at our option, submit to an examination under oath, provide a statement under oath, or do both, as reasonably often as we require. Such *person* or organization must answer questions under oath, asked by any one we name, and sign copies of the answers.

We may require each *person* or organization answering questions under oath to answer the questions with only that *person*'s or organization's legal representative, our representatives, any *person* or *persons* designated by us to record the questions and answers, and no other person present.

Lessor means the person or organization who leases your car to you or to whom the termination to the lessor

5. Other Duties Under the Physical Damage Coverages.

When there is a loss, you or the owner of the covered vehicle must:

- protect the covered vehicle from additional damage. We will pay any reasonable expense incurred to do so;
- make a prompt report to the police when the loss is the result of theft;
- allow us to:
 - inspect any damaged property before its repair or disposal;
 - test any part or equipment before that part or equipment is removed or repaired; and
 - move the covered vehicle at our expense in order to conduct such inspection or testing;
- provide us all:
 - records;
 - receipts; and
 - invoices
- allow us to make copies; and
- not abandon the covered vehicle to us.

6. Other Duties Under Personal Injury Protection Coverage, Medical Payments Coverage, Underinsured Motor Vehicle Coverage, and Death, Dismemberment and Loss of Sight Coverage.

A person making claim under:

- Personal Injury Protection Coverage, Medical Payments Coverage, Underinsured Motor Vehicle Coverage, and Death, Dismemberment and Loss of Sight Coverage must:
 - notify us of the claim and give us all the details about the death, injury, treatment, and other information that we may need as soon as reasonably possible after the injured insured is first examined or

1. Undersigned Motor Vehicle Property Damage Coverage must:

- protect the damaged property from additional damage. We will pay any reasonable expense incurred to do so;
- allow us to:
 - inspect any damaged property before its repair or disposal;
 - test any part or equipment before that part or equipment is removed or repaired; and
 - move the damaged property at our expense in order to conduct such inspection or testing;
- deem necessary to substantiate the claim.

If an injured insured is a minor, unable to act, or dead, then his or her legal representative must provide us with the written authorization.

If the holder of the information refuses to provide it to us despite the authorization, then, at our request the person making claim, or his or her legal representative, must obtain the information and promptly provide it to us and

- allow us to inspect the vehicle that the insured occupied in the accident;
- Underinsured Motor Vehicle Coverages must:

- allow us to inspect the motor vehicle whose owner and driver remain unknown, to the police within 72 hours and to us within 30 days; and
- report an incident where the insured was the intended victim of a tortfeasor to the appropriate law enforcement agency and cooperate with any related law enforcement investigation;

1. When Coverage Applies

The coverages provided by this policy are shown on the Declarations Page and apply to accidents and losses that occur during the policy period. The policy period is shown on the Declarations Page, and is for successive periods of six months each for which the renewal premium is paid. The policy period begins and ends at 12:01 A.M. Standard Time at the address shown on the Declarations Page.

2. Where Coverage Applies

The coverages provided by this policy are shown on the Declarations Page and apply to accidents and losses that occur:

- in the United States of America and its territories and possessions;
- in Canada; and
- while a vehicle for which coverage is provided by this policy is being shipped between the ports of the United States of America, its territories, its possessions, and Canada.

- provide us all:
 - records;
 - receipts; and
 - invoices.
- make copies; and
- not abandon the damaged property to us; and
- Personal Injury Protection Coverage and Undersigned Motor Vehicle Property Damage Coverage must:
 - copy of all lawsuit papers if the insured files a lawsuit against the party liable for the accident;
 - request we replace the car currently shown on the Declarations Page of this Policy with the car newly owned by you and pay us any added amount due. If you make such request while this policy is in force and
 - before the car newly owned by you ceases to be a newly acquired car, then you must either:
 - request we replace the car currently shown on the Declarations Page of this Policy with the car newly owned by you and pay us any added amount due. If you make such request while this policy is in force and
 - before the car newly owned by you ceases to be a newly acquired car, then that car newly owned by you will be insured by this policy as your newly owned by you is delivered to you. The added amount due will be calculated based on that date; or
 - after the car newly owned by you ceases to be a newly acquired car, then that car newly owned by you will be insured by this policy as your car beginning on the date and time you make the request. The added amount due will be calculated based on that date; or
 - apply to the State Farm Companies for a separate policy to insure the car newly owned by you. Such policy will

Lessor means the person or organization who leases your car to you or

electronically transmit a notice of the termination to the lessor

be issued only if both the applicant and the vehicle are eligible for coverage at the time of the application.

4. Changes to This Policy

a. Changes to Policy Provisions

We may only change the provisions of this policy by:

- (1) issuing a revised policy booklet, a revised Declarations Page, or an endorsement; or
- (2) revising this policy to give broader coverage without an additional premium charge. If any coverage provided by this policy is changed to give broader coverage, then we will give you the broader coverage as of the date we make the change effective in the state of Washington without issuing a revised policy booklet, a revised Declarations Page, or an endorsement.

b. Change of Interest

- (1) No change of interest in this policy is effective unless we consent in writing.

- (2) Except under Death, Dismemberment and Loss of Sight Coverage, if a married insured dies, then the definition of *insured* under each of the coverages provided by this policy is changed to include:

- (a) any person with lawful custody of your car, a newly acquired car, or a temporary substitute car until a legal representative is qualified; and then
- (b) the legal representative of the deceased named insured.

This only applies while such person is maintaining or using your car, a newly acquired car, or a temporary substitute car.

Policy notice: Requirements are met by mailing the notice to the

deceased named insured's last known address.

c. Joint and Individual Interests

When there are two or more named insureds each acts for all to change or cancel the policy.

5. Premium

- a. If any premium transaction results in a charge or credit of less than 50 cents, we will not bill you or make a refund.

- b. Unless as otherwise provided by an alternative payment plan in effect with the State Farm Companies with respect to the premium for this policy, the premium is due and payable in full on or before the first day of the policy period shown on the most recently issued Declarations Page or Renewal Notice.

- c. The renewal premium for this policy will be based upon the rates in effect, the coverage, claim, the applicable limits, deductibles, and other elements that affect the premium that apply at the time of renewal.

- d. The premium for this policy may vary based upon the purchase of other insurance from the State Farm Companies.

- e. The premium for this policy is based upon information we have received from you or other sources. You must inform us if any information regarding the following is incorrect or incomplete, or changes during the policy period, and you must answer questions we ask regarding the following:

- (1) Your car, or its use, including annual mileage;
- (2) The persons who regularly drive your car, including newly-licensed family members;
- (3) Your marital status; or
- (4) The location where your car is primarily garaged.

If the above information or any other information used to determine the premium is incorrect, incomplete, changes during the policy period, or is not provided to us when we ask, we may decrease or increase the premium during the policy period. If we decrease the premium during the policy period, then we will provide a refund or a credit in the amount of the decrease. If we increase the premium during the policy period, then you must pay the amount of the increase.

6. Renewal

We agree to renew this policy for the next policy period upon payment of the renewal premium when due, unless we mail or deliver a written nonrenewal notice or a written cancellation notice as set forth in items 7 and 8 below.

7. Nonrenewal

If we decide not to renew this policy, then, at least 30 days before the end of the current policy period, we will mail or deliver a nonrenewal notice which will include the actual reason for our refusal to renew to the most recent address provided to us by you as the policy address. The mailing of the notice will be sufficient proof of notice.

8. Cancellation

a. How You May Cancel
You may cancel this policy by providing notice to us prior to or on the date such cancellation is effective. We may confirm the cancellation in writing.

b. How and When We May Cancel

- (1) We may cancel this policy by mailing or delivering a written notice to the most recent address provided to us by you as the policy address. The notice will provide both the reason for the cancellation and the date cancellation is effective.
- (2) The mailing of the notice will be sufficient proof of notice.

(3) If the reason for cancellation is because the premium was not paid when due, then the date cancellation is effective will be at least 10 days after the date we mail or deliver the cancellation notice. Otherwise, the date cancellation is effective will be at least 20 days after the date we mail or deliver the cancellation notice.

(4) After this policy has been in force for more than 60 days, we will not cancel this policy before the end of the current policy period unless:

- (a) the premium is not paid when due, or
- (b) you, any resident relative, or any other person who usually drives your car has had his or her driver's license under suspension or revocation during the 180 days immediately before the effective date of the policy or during the policy period.

(5) If this policy is cancelled, then premium will be earned on a pro rata basis. Any unearned premium may be returned at the time we cancel or within 30 days. Delay in the return of any unearned premium does not affect the cancellation date.

b. Assignment
No assignment of benefits or other transfer of rights is binding upon us unless approved by us.

c. Bankruptcy or Insolvency of the Insured
Bankruptcy or insolvency of the insured or his or her estate will not relieve us of our obligations under this policy.

d. Concealment or Fraud
There is no coverage under this policy if you or any other person insured under this policy has made false statements with the

intend to conceal or misrepresent any material fact or circumstance in connection with any claim under this policy.

12. Our Right to Recover Our Payments

a. Death, Dismemberment, and Loss of Sight Coverage.

"Our payments are not recoverable by us, if:

- b. Personal Injury Protection Coverage, Medical Payments Coverage, and Undersured Motor Vehicle Bodily Injury Coverage."

(1) If we are obligated under this policy to make payment to or for a person who has a legal right to collect from another party, then we will be subrogated to that right to the extent of our payment.

(2) If we make payment under this policy and the person to or for whom we make payment recovers or has recovered from another party, then that person must:

- (a) hold in trust for us the proceeds of any recovery; and
- (b) reimburse us to the extent of our payment.

(3) The person to or for whom we make payment must help us recover our payments by:

- (a) keeping our right to recover our payment in trust for us; and doing nothing to impair that legal right;
- (b) executing any documents we may need to assert that legal right; and
- (c) taking legal action through our representatives when we ask.

c. Underinsured Motor Vehicle Property Damage Coverage.

"If we are obligated under this policy to make payment to or for a party who

has a legal right to collect from another, then the right of recovery of such party passes to us. Such party must help us recover our payments by:

- (1) keeping our right to recover our payment in trust for us and doing nothing to impair that legal right;
- (2) executing any documents we may need to assert that legal right; and
- (3) taking legal action through our representatives when we ask.

Our right to recover our payments applies only after the insured has been fully compensated for the bodily injury, property damage, or loss.

13. Legal Action Against Us

Legal action may not be brought against us until there has been full compliance with all the provisions of this policy. In addition, legal action may only be brought against us regarding:

a. Liability Coverage after the amount of damages an insured is legally liable to pay has been finally determined by:

- (1) judgment after an actual trial, and any appeals of that judgment if any appeals are taken; or
- (2) agreement between the claimant and us.

b. Personal Injury Protection Coverage 30 days or more after we get the insured's notice of accident.

c. Medical Payments Coverage if the legal action relating to this coverage is brought against us within four years immediately following the date of the accident.

d. Undersured Motor Vehicle Coverage if the legal action is brought within one year from the time the cause of action accrues against us. This one year limitation does not apply to legal actions brought pursuant to the Deciding Fault and Amount provision of the Undersured Motor Vehicle Coverage.

e. Physical Damage Coverages if the legal action relating to those coverages is brought against us within one year immediately following the date of the accident or loss.

14. Choice of Law

Without regard to choice of law rules, the law of the State of:

- a. Washington will control, except as provided in item b. below, in the event of any disagreement as to the interpretation and application of any provision in this policy; and
- b. Illinois will control in the event of any disagreement as to the interpretation and application of this policy's:

- (1) Mutual Conditions provision found on the most recently issued Declarations Page, if this policy was issued by any subsidiary or affiliate of the State Farm Mutual Automobile Insurance Company.
- (2) Participating Policy provision found on the most recently issued Declarations Page, if this policy was issued by any subsidiary or affiliate of the State Farm Mutual Automobile Insurance Company.

15. Sovereignty

If any provision of this policy is held invalid or unenforceable by a court that has jurisdiction, then:

- a. such provision will remain in full force to the extent not held invalid or unenforceable; and
- b. all other provisions of this policy will remain valid and enforceable.

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4. INSURED'S DUTIES

The following is added:

Lessor - Additional Insured

The lessor must:

- a. report to us, any damage for which payment is sought, within 10 days immediately following the date your car has been returned to either the lessor or the lessor's agent as a result of lease expiration, voluntary surrender, or repossession; and
- b. allow us to inspect the damage prior to repair, sale, or any other disposition of your car.

5. GENERAL TERMS

- a. The following is added to Change of Interest:

This policy will not be changed as to the interest of the lessor without at least 10 days written notice or electronic notice to such lessor.

b. Cancellation

The following is added to How and When We May Cancel:

However, notification to the lessor does not apply once your car is returned to either the lessor or the lessor's agent as a result of lease

expiration, voluntary surrender, or repossession.

6. LIABILITY COVERAGE, PERSONAL INJURY PROTECTION COVERAGE, MEDICAL PAYMENTS COVERAGE, UNDERINSURED MOTOR VEHICLE COVERAGES, and PHYSICAL DAMAGE COVERAGES

The following exclusions are added:

THERE IS NO COVERAGE:

- a. WHILE YOUR CAR IS RENTED, LEASED, OR SUBLICENSED TO ANY PARTY OTHER THAN YOU OR YOUR EMPLOYER WHO LEASED THE VEHICLE FOR YOUR REGULAR USE.

b. FOR:

- (1) BODILY INJURY, DAMAGE TO PROPERTY, OR LOSS THAT OCCURS; OR

(2) DAILY RENTAL CHARGES INCURRED;

AFTER YOUR CAR HAS BEEN RETURNED TO EITHER THE LESSOR OR THE LESSOR'S AGENT AS A RESULT OF LEASE EXPIRATION, VOLUNTARY SURRENDER, OR REPOSSESSION.

15. Severability of this policy that has participated on the page, if this policy or any subsidiary mutual declarations by state farm company was issued by state farm company. automobile insurance held in accordance with the declaration page, if this policy was issued by state farm company. If any provision of this policy is held invalid or unenforceable by a court, then such provision will remain in full force and effect to the extent possible, and all other provisions of this policy will remain valid and enforceable.

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**6097AR.1 LEASED MOTOR VEHICLES
(Lessor As Additional Insured And Loss Payee)**

This endorsement is a part of the policy. Except for the changes it makes, all other provisions of the policy remain the same and apply to this endorsement.

1. DEFINITIONS

The following is added:

Lessor means the person or organization who leases your car to you or your employer for your regular use, but only if that person or organization is shown on the Declarations Page immediately following the title of this endorsement.

2. LIABILITY COVERAGE

Additional Definition

Insured is changed to include the *lessor* for the ownership, maintenance, or use of your car.

3. PHYSICAL DAMAGE COVERAGES

a. The following is added:

Leased Vehicle

1. Any Comprehensive Coverage or Collision Coverage provided by this policy applies to the *lessor's* interest in your car. Coverage for the *lessor's* interest is only provided for a *loss* that is payable to *you*.
2. If the policy is cancelled or nonrenewed, then we will provide coverage for the *lessor's* interest until we notify the *lessor* of the termination of such coverage. This coverage for the *lessor's* interest is only provided for a *loss* that would have been payable to *you* if the policy had not been cancelled or nonrenewed.

The date such termination is effective will be at least 10 days after the date we mail or electronically transmit a notice of the termination to the *lessor* unless a different notification period is required by law. The mailing or electronic transmission of the notice will be sufficient proof of notice. However, this notification does not apply once your car is returned to either the *lessor* or the *lessor's* agent as a result of lease expiration, voluntary surrender, or repossession.

3. If we pay such *lessor*, then we are entitled to the *lessor's* right of recovery against *you* to the extent of our payment. Our right of recovery does not impair the *lessor's* right to recover the full amount of its claim.

b. Item 1.a. under **Our Payment Options** is changed to read:

- a. We may, at our option, make payment to one or more of the following for *your* car or a newly acquired car:
 - (1) *you*;
 - (2) the repairer;
 - (3) a creditor shown on the Declarations Page, to the extent of its interest; or
 - (4) the *lessor*, to the extent of its interest.